DRAFT ONLY
3/17/14(a)

RESOLUTION

of the

Board of Directors

of

Space Florida

regarding

PROJECT MAGELLAN

NOTE: As is allowed and required by Section 288.075 of Florida Statutes, the company involved in the multi-agency project that is code-named "Project Magellan" has requested, and therefore is entitled to, confidentiality of information concerning its plans, intentions, and interests in locating, relocating, or expanding its business activities in the State of Florida. Consequently, the company is not identified in this resolution. All public records of Space Florida pertaining to the company involved in Project Magellan will cease being confidential and will become available for public inspection as and when required by Section 288.075.

WHEREAS, under the Space Florida Act (Chapter 2006-60, Laws of Florida, as amended and as codified as Chapter 331, Part II, Florida Statutes), Space Florida was established by the Legislature of the State of Florida to strengthen the state's leadership in civil, commercial, and military aerospace activity; and

WHEREAS, in the Space Florida Act the Legislature declared its intention that Space Florida is to be the single point of contact for state aerospace-related activities with federal agencies, the military, state agencies, business and the private sector; and

WHEREAS, "aerospace-related activities" include activities related to the industry that designs and manufactures aircraft, rockets, missiles, spacecraft, satellites, space vehicles, space stations, space facilities or components thereof, and equipment, systems, facilities, simulators, programs, and related activities, including the application of aerospace technologies in air-based, land-based, and sea-based platforms for commercial, civil, and defense purposes; and

WHEREAS, Space Florida has engaged in extensive negotiations and due diligence pertaining to the economic-development initiative known by the affected state and local agencies as "Project Magellan;" and

WHEREAS, the Board of Directors of Space Florida has determined that, if approved and undertaken by the state and local agencies involved, Project Magellan will effect a location, relocation, or expansion of the affected company's business activities in the state, resulting in new, high-value-added business and jobs, adding diversification of the economy in Brevard County and the state, and increasing economic growth and prosperity in the state generally; and

WHEREAS, the Board of Directors of Space Florida intends now to exercise its powers under the Space Florida Act to (i) authorize, approve, and direct the execution of the Development Agreement substantially in the form contained in **Attachment 1**, (ii) authorize, approve, and direct board members, officers, and staff of Space Florida to undertake and complete Project Magellan as set forth and otherwise contemplated in the Development Agreement, and (iii) authorize and direct board members, officers and staff to take all other action necessary or useful to complete Project Magellan.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SPACE FLORIDA:

1. Findings of the Board of Directors of Space Florida.

(a) **The Mission of Space Florida.** The Board of Directors of Space Florida finds the following regarding the mission of Space Florida and the paramount public interest and the public and governmental purposes that will be served by Project Magellan:

(i) The Legislature of Florida has found and declared that the aerospace and aviation industry of this state is integral to the long-term success of the state in diversifying its economy and building a knowledge-based economy that is able to support the creation of high-value-added businesses and jobs. Further, the Legislature has found that, under the direction of Space Florida, the state has the opportunity to strengthen its existing leadership in civil, commercial, and military aerospace activity and emerge as a leader in the nation's new vision for space exploration and commercial aerospace opportunities, including the integration of space, aeronautics, and aviation technologies. §331.3011(1), Fla. Stat.

(ii) The Legislature of the State of Florida intends that Space Florida will encourage the public and private sectors to work together to implement an aggressive strategy that enhances the state's workforce, education, and research capabilities, and will focus on the state's economic development efforts in order to capture a larger share of activity in aerospace research, technology, production, and commercial operations. §331.3011(2), Fla. Stat.

(iii) Space Florida was created by the Legislature to foster the growth and development of a sustainable and world-leading aerospace industry in this state. Space Florida is to promote aerospace business development, including aviation, by facilitating business financing, spaceport operations, research and development, workforce development, and innovative education programs. Space Florida has all the powers, rights, privileges, and authority as provided under the laws of this state. §331.302(1), Fla. Stat.

(iv) Space Florida has the duty to develop, in cooperation with Enterprise Florida, Inc., a plan to provide financing assistance to aerospace businesses, which includes financing aerospace business development projects or initiatives using funds provided by the Legislature. §331.3051(6)(e), Fla. Stat.

(v) The projects that Space Florida may undertake include activities associated with any aerospace business proposing to expand or locate its business in the state, research and development company, and research and development facility. §331.303(14), Fla. Stat.

(vi) Space Florida is expressly charged with the duty to develop a plan, in cooperation with Enterprise Florida, Inc., to retain, expand, attract, and create aerospace industry entities, public or private, which results in the creation of high-value-added businesses and jobs in the state. §331.3051(3), Fla. Stat.

(vii) Space Florida is expressly authorized, whenever deemed necessary by the Board of Directors, to lease as lessor or lessee to or from any public or private person any facilities or property for

the use of Space Florida and otherwise to carry out any of the purposes of Space Florida. §331.305(10), Fla. Stat.

(viii) Space Florida is expressly authorized to make and execute any and all contracts and other instruments necessary or convenient to the exercise of its powers, including financing agreements to facilitate the financing, construction, leasing, or sale of any project. §331.305(9), Fla. Stat.

(ix) The Board of Directors of Space Florida may execute all contracts and other documents and perform all acts determined by the Board to be necessary or desirable to carry out the purposes and mission of Space Florida. §331.310(1)(b), Fla. Stat.

(x) The Board of Directors is further expressly authorized by law to provide financial services to support aerospace-related business development within the State of Florida, which includes acquiring, accepting, or administering grants from other organizations to perform activities that are consistent with the purposes of Space Florida's business plan. §331.310(1)(d), Fla. Stat.

(b) **Findings of Necessity, Desirability, and Public Purposes.** The Board of Directors expressly finds the following:

(i) The execution and delivery of the Development Agreement substantially in the form contained in Attachment 1, and undertaking and implementing Project Magellan are necessary and desirable to carry out the purposes of Space Florida as set forth in the Space Florida Act; and

(ii) Project Magellan and the related Development Agreement, as well as all other documents and transactions contemplated by the Development Agreement, and the implementation and completion thereof, will serve a paramount public purpose, will constitute and serve governmental and public purposes, and will benefit the residents and citizens of Brevard County and the State of Florida, all as found and declared by the Legislature in the Space Florida Act.

(c) **Project Magellan.** The Board of Directors finds that the project, which has two potential phases, will result in substantial business investment by the company in a location, relocation, or expansion of its business activity in the state and, thus, will result in new, high-value-added business and jobs in the City of Melbourne, Brevard County, and the State of Florida, as follows

(i) **Phase 1 –** the consideration by the company in Phase 1 includes, in part, the following:

a. The company will renovate and upgrade an existing building at the Melbourne International Airport ("MLB");
b. The company will construct a major new building at MLB
c. The company will lease and occupy both buildings for a lease term, with renewals, of potentially 50 years.
d. The company will create approximately 250 full-time-equivalent jobs by December 31, 2014, and up to 300 full-time-equivalent jobs prior to the start of Phase 2. At least 85% will be employees of the company, with the average annual salary at not less than $90,000, excluding benefits.

(ii) **Phase 2 –**the consideration by the company in Phase 2, which is subject to a condition precedent, includes, in part, the following:

a. The company will make investment in real estate and equipment and furnishings by the year 2020 of at least $500 million
b. The company may purchase an existing building (the building to be renovated in Phase 1) at MLB
c. The company will construct three major new buildings at MLB
d. The company will lease and occupy the new and existing buildings for a lease term, with renewals, of potentially 50 years
e. The company will create at least 1,800 full-time-equivalent direct and indirect jobs, with an average annual salary of $100,000

(iii) Project Magellan will locate, relocate, or expand its business activities in a designated "brownfield" area. The economic redevelopment of "brownfield" areas are of special concern to the Legislature of Florida, which has expressly authorized in Chapter 376 of Florida Statutes a number of financial incentives, such as grants and the pledging of revenues to secure bonds, as an ongoing public investment, among other things, to promote the creation of jobs in brownfield areas.

(iv) Project Magellan will serve paramount public and governmental purposes in several respects, consistent with the mission of Space Florida and the findings, declarations, and intentions of the Legislature.

2. Authorization of Project Magellan and the Development Agreement.

(a) Space Florida is hereby authorized to undertake and complete Project Magellan, and the Chair of the board and the President are authorized and directed to execute and deliver the Development Agreement in substantially the form contained in Attachment 1 to this resolution, subject to such additions and deletions as may be approved by the President with the advice of counsel prior to execution, such execution being conclusive of such approval. In making additions and deletions, the Chair and President shall not alter the Development Agreement from the form in Attachment 1 if the change would materially reduce the rights and privileges, or materially increase the costs, risks, or liabilities, of Space Florida thereunder.

(b) The Chair of the board and the President of Space Florida, as well as Space Florida's officers, directors, employees, agents and attorneys, are hereby authorized and directed to (i) execute, deliver, and perform from time to time, as appropriate under or as required by the Development Agreement, the several agreements, leases, and other instruments contained in the exhibits to the Development Agreement and (ii) otherwise perform all acts required of them under, or otherwise contemplated by, this resolution and the Development Agreement and its exhibits, as may be necessary or helpful from time to time for undertaking and completing Project Magellan.

3. Limitation; Pledge of Certain Revenues. Notwithstanding any provision of the Development Agreement and its exhibits, any and all monetary obligations of Space Florida under the Development Agreement and its exhibits are limited obligations of Space Florida and do not constitute a general debt, liability or obligation, or a pledge of the full faith and credit or taxing power, of Space Florida or of the State of Florida or of any political subdivision thereof within the meaning of any constitutional, statutory, or charter provision or limitation, but shall be payable solely from those revenues that are described in the Development Agreement and its exhibits or that otherwise accrue to Space Florida directly on account of Project Magellan and the Development Agreement and the instruments and transactions contemplated thereby.

4. Miscellaneous.

(a) If any one or more of the provisions herein contained shall be contrary to any express or implied provision of law or against public policy, or shall for any reason whatsoever be held invalid, then such provision shall be null and void and shall be deemed separate from the remaining provisions hereof or of the Development Agreement or other documents executed pursuant thereto.

(b) Notice of this Board Meeting was published in Florida Administrative Register and posted on Space Florida's website at least seven days in advance of the meeting date in accordance with Section 120.525(1), Florida Statutes. Also, notice of the meeting was published in the *Florida Today* newspaper at least seven days in advance of the meeting date, as required by Section 189.417 of Florida Statutes.

(c) The board meeting at which this resolution was approved was duly noticed and held, and this resolution has been duly adopted by the Board of Directors, all pursuant to and in accordance with Florida law and Space Florida's policies and procedures.

(d) This resolution is available for public inspection pursuant to the state public-records laws.

(e) Regarding the actions taken by Space Florida with respect to this resolution and Project Magellan and the Development Agreement, none of the board members has met and held a discussion with any other board member other than at public meetings of the Board of Directors of Space Florida in compliance with Section 286.011 of Florida Statutes (often known as Florida's "Government in the Sunshine Law").

(f) None of the board members that has voted to adopt this resolution has or holds any employment or contractual relationship with the company involved in Project Magellan that would constitute a prohibited conflict of interest under Part III, Chapter 112, Florida Statutes.

APPROVED by the Board of Directors of Space Florida this _____ day of March, 2014.

SPACE FLORIDA

By: Its Board of Directors

By: _____
William T. Dymond, Jr.,
Chair

ATTEST:

By: _____
Print Name: _____
Title: _____

Attachment 1

DEVELOPMENT AGREEMENT

[attach draft of "Development Agreement"]