

# ATTACHMENT 7:

## EPA Region 4 Technical Assistance

The Compound, Palm Bay, FL

March 7<sup>th</sup>, 2024, at 2:30 PM EST

### Webinar 4



# EPA Technical Assistance Overview

- Assessment included:
  - Land uses
  - Strategic plans
  - Economic development
  - Utilities and Infrastructure
  - Transportation plans
  - 30+ stakeholder interviews including BRP and select landowners
  - Two Site Visits

## Action Plan

- Phasing plan to promote job-creating economic growth
- Next Step Considerations
- High level Financial Analysis and Direct Job Creation estimates



# Technical Assistance Builds Upon Strategic Plans

## Identified strategies

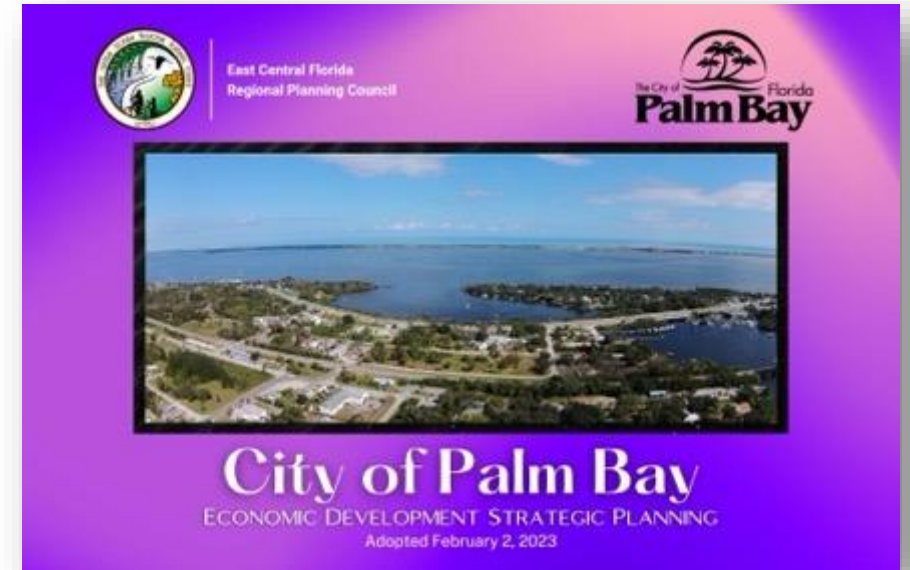
- Develop spaces that further economic development
- Use the city's high technology sector as a magnet to attract new talent, businesses, and investment
- Steer development of new industrial park

## Challenge

- Create 25-50-acre shovel ready parcels

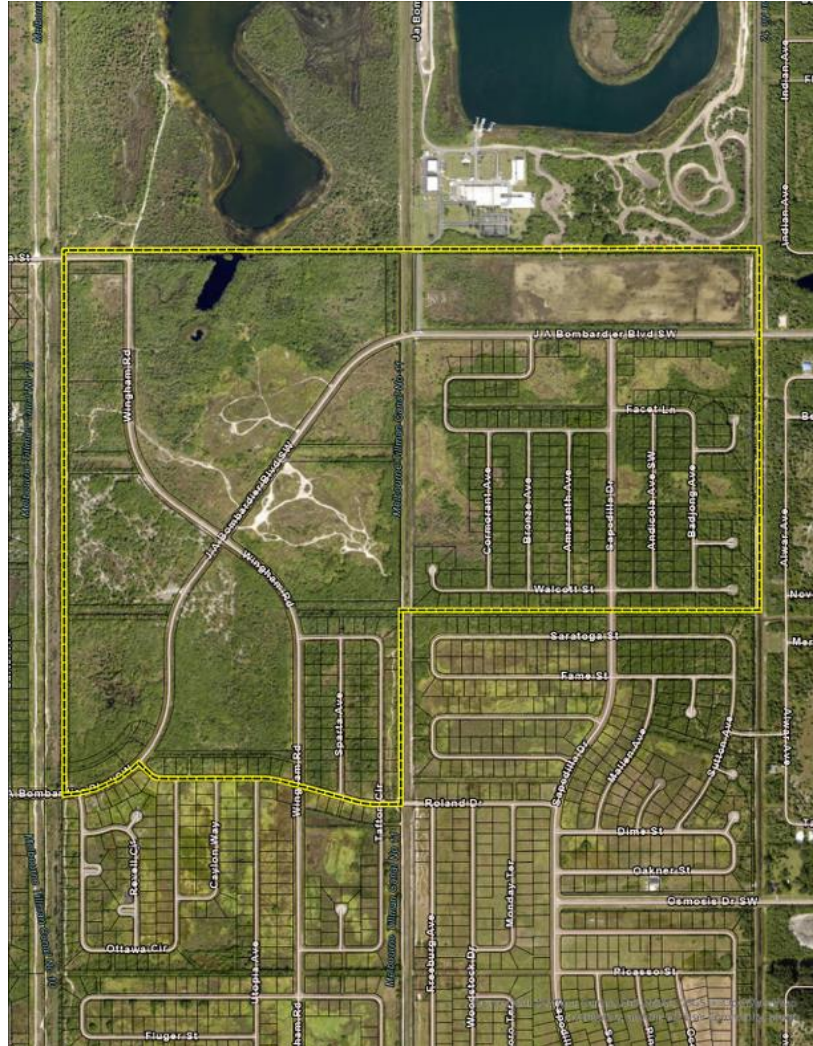
### Key factors:

- 2,755 unique property owners
- Pre-platted, disjointed parcels
- Multiple land entitlements
- Lack of existing infrastructure
- BRP business needs





# Project Site Maps



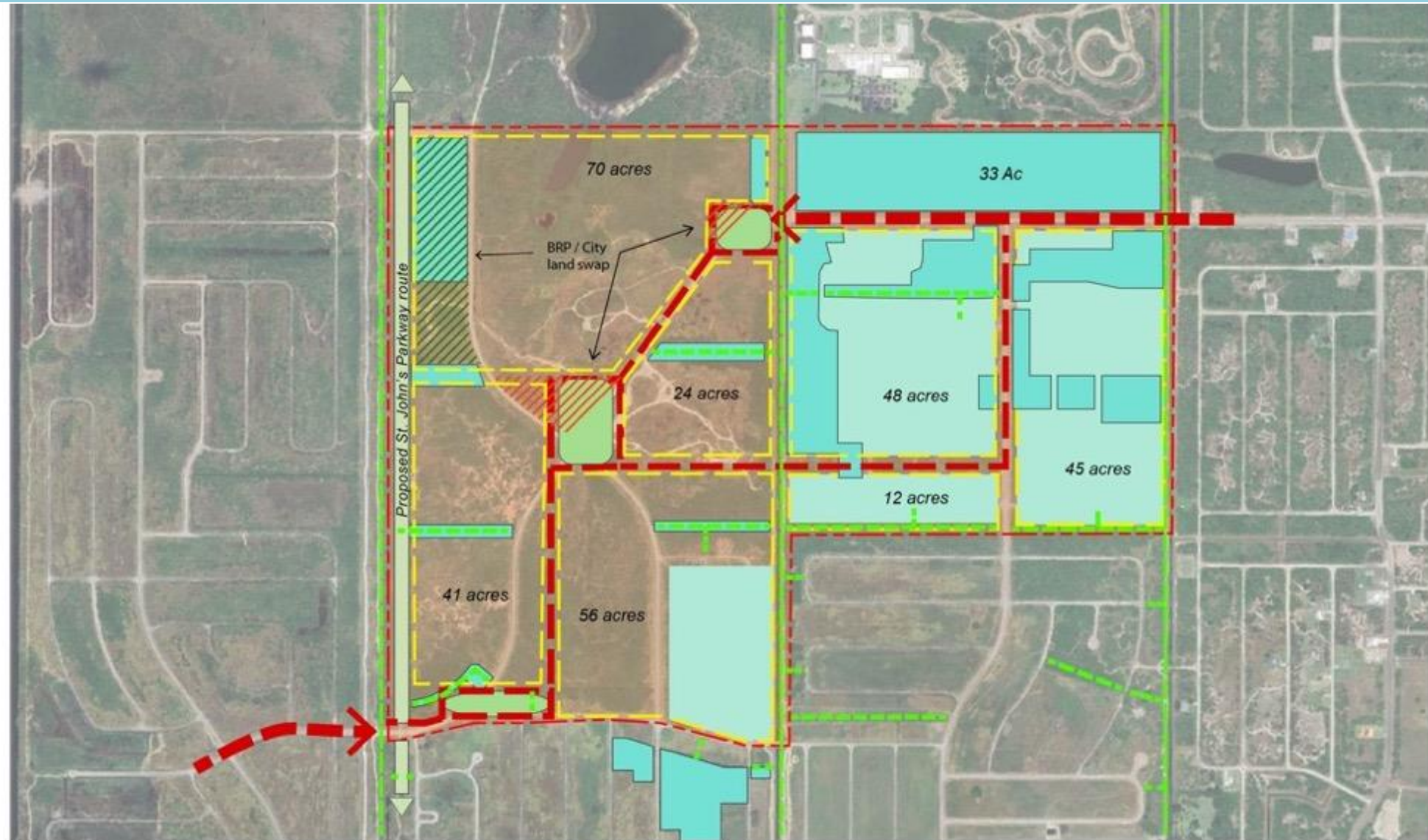
Northeast Quadrant Focus Area



Property Owner Parcels



# Concept Plan

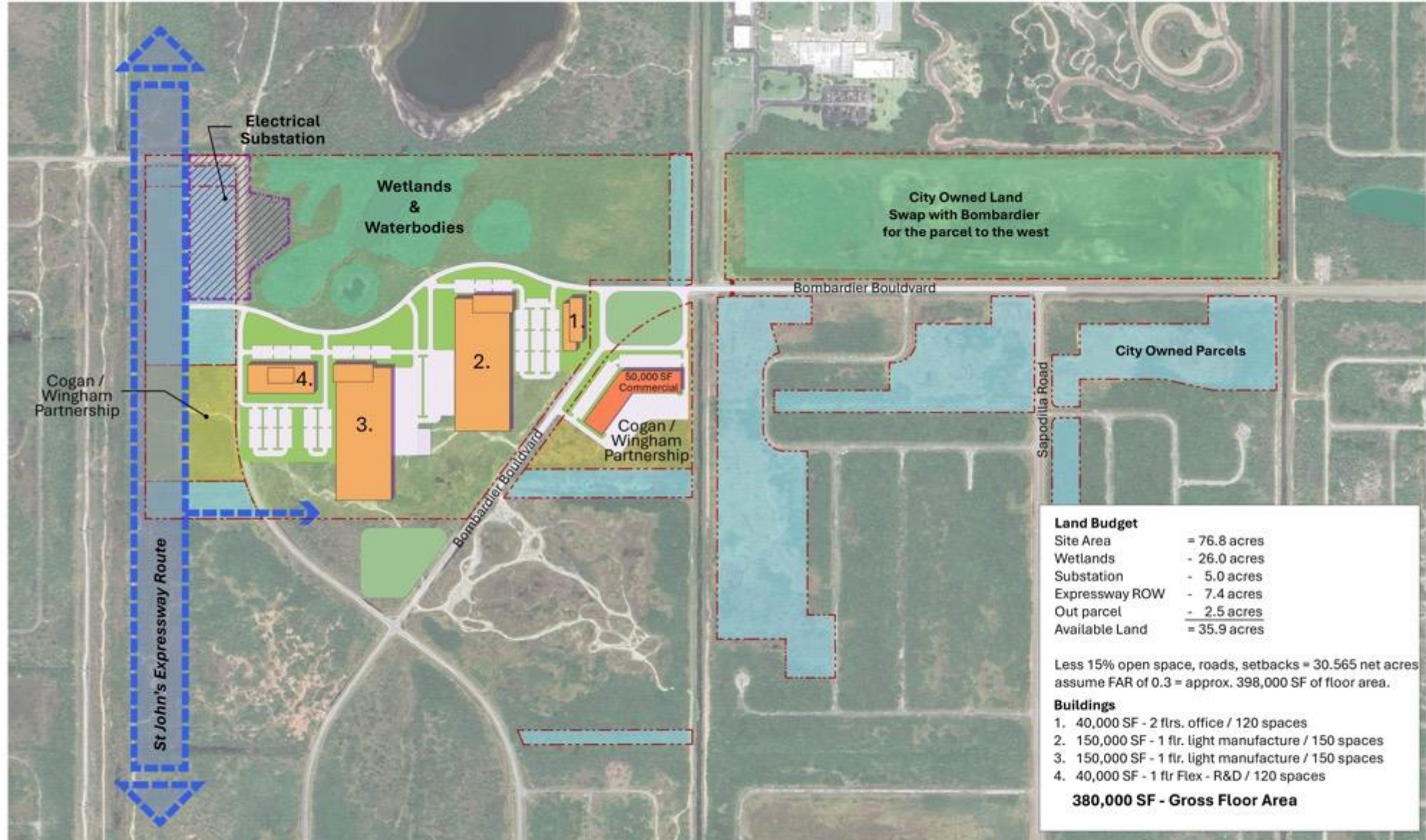


The Compound, Palm Bay, Florida  
Port Malabar Business Park Concept Plan

0' 600'

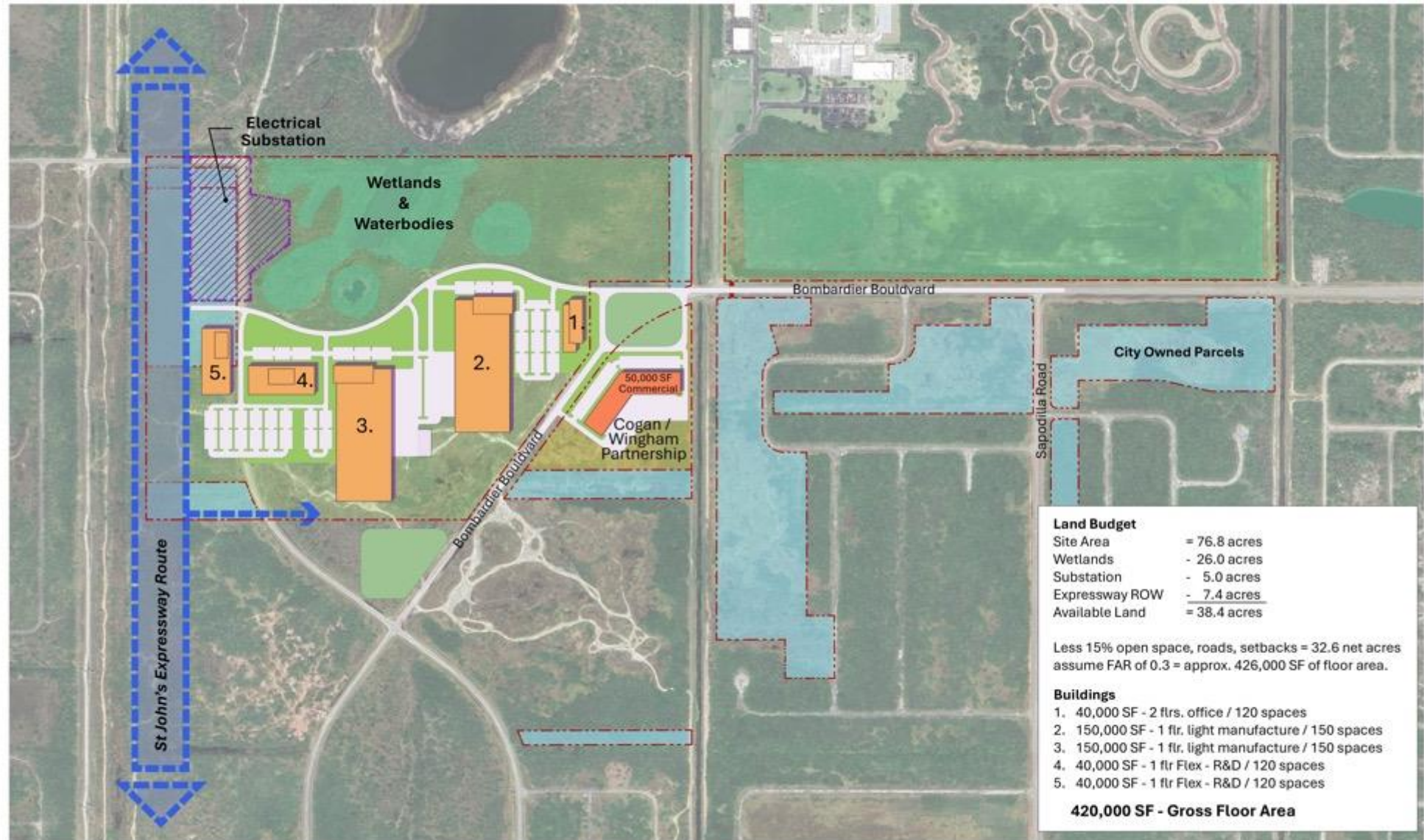


# Phase 1





# Phase 2

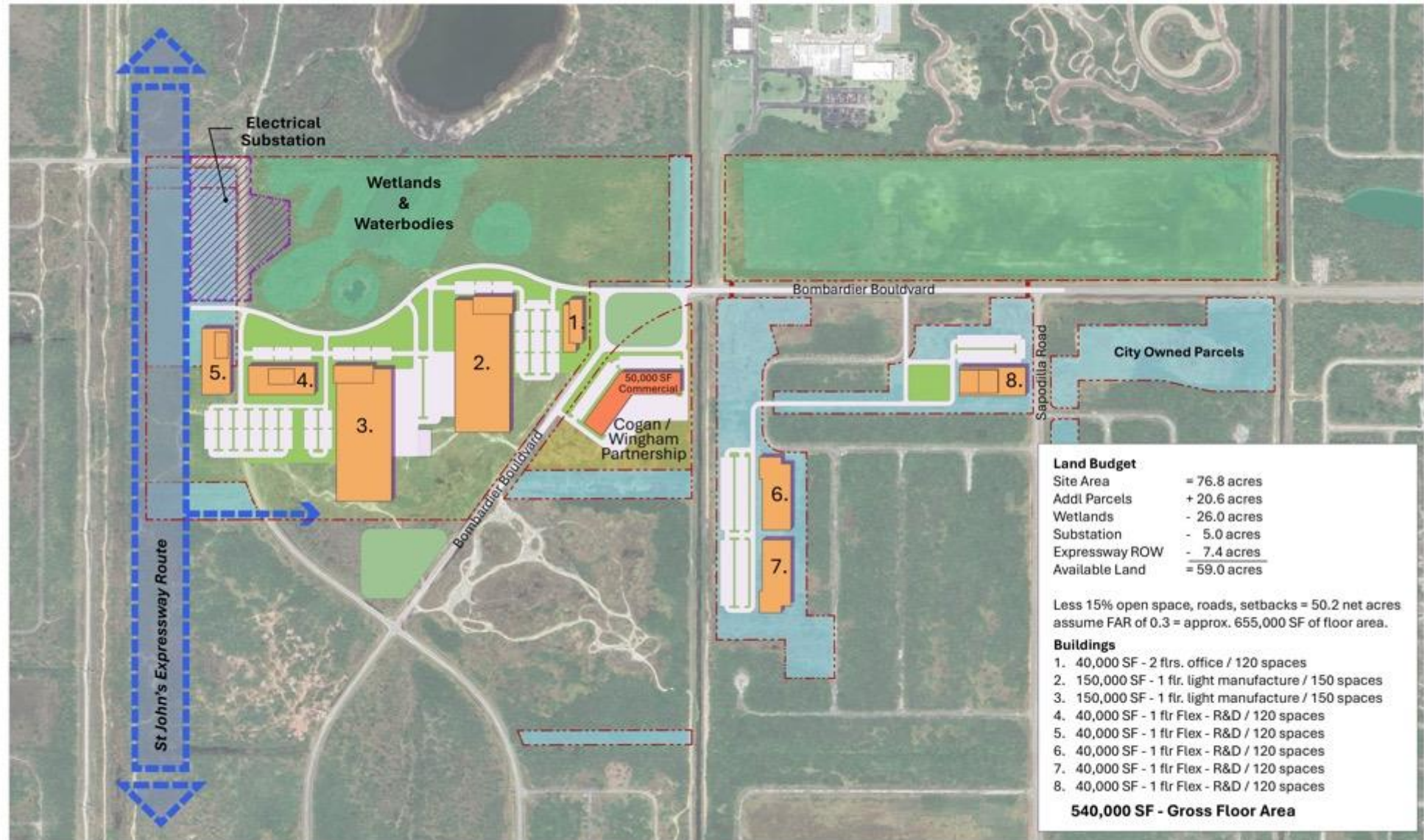


The Compound, Palm Bay, Florida  
Phase 2 - Port Malabar Business Park

0' 400'



# Phase 3

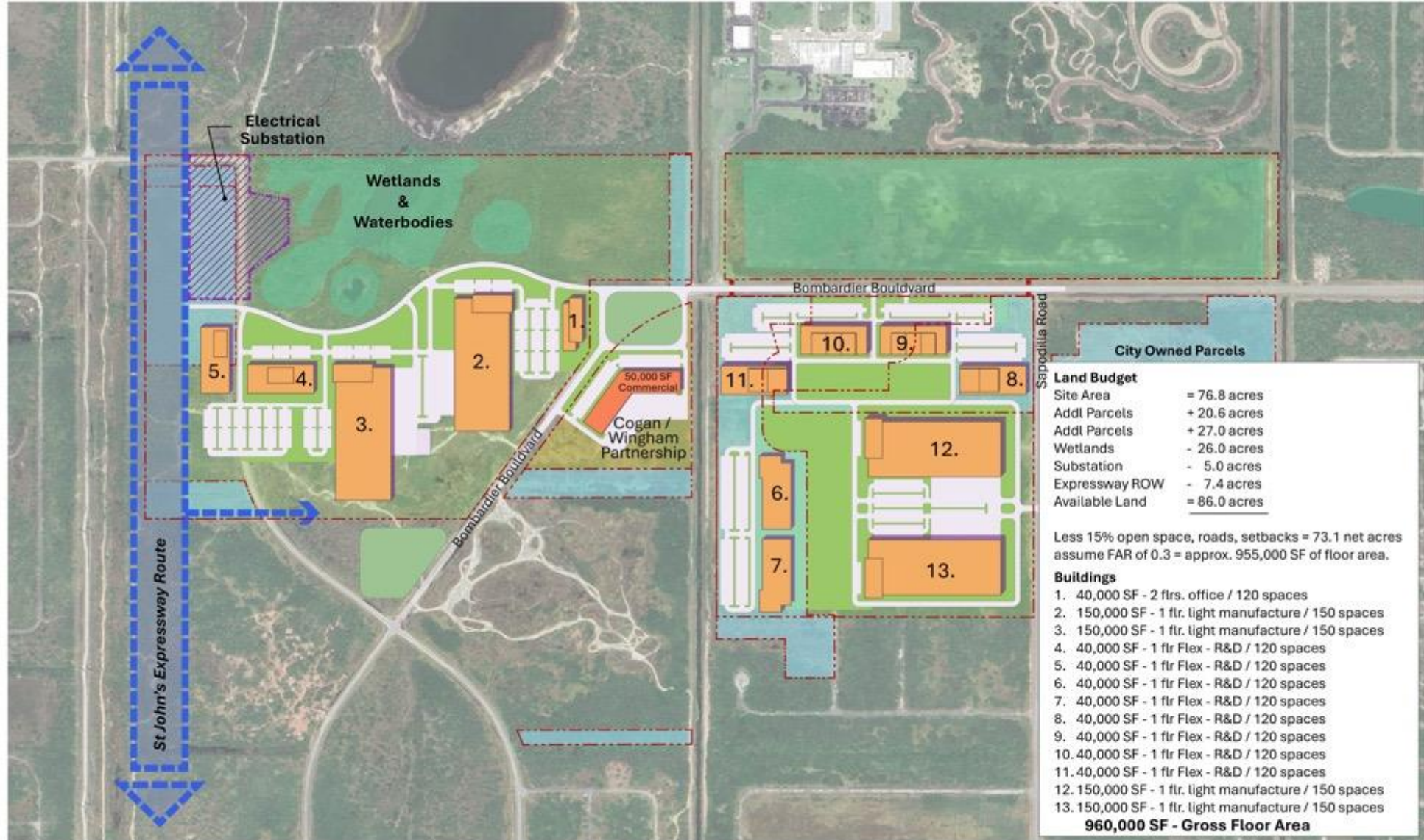


The Compound, Palm Bay, Florida  
Phase 3 - Port Malabar Business Park

0' 400'



# Phase 4



The Compound, Palm Bay, Florida  
Phase 4 - Port Malabar Business Park

0' 400'



# Phase 5



The Compound, Palm Bay, Florida  
Phase 5 - Port Malabar Business Park

0' 400'



# Palm Bay Summary

Phase	Use	Structural SF	Land (~ Acres)	Cost	Value At Completion
1	Manufacturing, R&D, Office	380,000	36	\$ 101,922,000	\$ 96,125,00
2	R&D	40,000	3	\$ 19,242,000	\$ 17,920,000
3	R&D	120,000	20	\$ 59,691,000	\$ 53,760,000
4	Manufacturing, R&D, Office	420,000	27	\$ 119,273,000	\$ 118,419,000
Total		960,000	86	\$ 300,128,000	\$ 286,224,000

## Key Assumptions

- Land valued at \$150,000/acre
- Construction - high level assumptions
- DSCR 1.2
- Cap rate at 6%
- Assumes Triple Net leases (NNN)
- Rents at market
- Interest rate at 6.5%
- 65% LTV
- Today's dollars and market conditions

## Key Takeaways

- Does not factor in indirect benefits or incentives
- Cash-on-cash low and will need to be stronger for for-profit developer
- Long-term play; at completion value may be lower than cost.
- Timing will need to be factored for higher level analysis.
- Infrastructure costs will need to be absorbed elsewhere.

# Estimated Economic Benefits

- **Potential Direct Jobs Created:**
  - Phase 1: 760
  - Phase 2: 180
  - Phase 3: 600
  - Phase 4: 960
  - **TOTAL: 2,500**
- **Potential Annual City Property Tax Revenue**
  - Phase 1: \$647,307
  - Phase 2: \$202,690
  - Phase 3: \$247,134
  - Phase 4: \$851,165
  - **TOTAL: \$1,948,296**

\*These estimates do not include short and long-term indirect benefits (e.g., construction, ancillary development, etc.)



# Next Step Considerations

## Planning

- Prepare Area Master Plan (Unit 53)
- Update approved future land use plans
- Amend zoning ordinance consistent with updated land use plans
  - Light manufacturing
- Update Stormwater & drainage plans
- Reserve Right-of-Way for future St. John Parkway corridor
- Complete Phase 1 ESAs for targeted properties
  - May include BRP property
- Explore land swap with BRP, Inc. (Phase I)
- Explore acquisition of additional properties as per concept plan to expand business park (south of J.A. Bombardier Blvd)



# Next Step Considerations

## Infrastructure

- Extend utilities (sewer & water) into northeast section of Compound
- Commission preliminary engineering and cost estimating study
- Prepare & Submit grant applications
  - State of Florida
  - U.S. Economic Development Agency
- Explore establishment of a special assessment district for capital and operational costs of extended utilities
- Coordinate with FPL on future energy needs and service





# Next Step Considerations

## Marketing

- Rebrand property
  - Port Malabar Business Park
  - Create gateway/entry feature @ entrance to Compound along J.A. Bombardier

## Redevelopment

- Options for city to move forward:
  - 1) City retain ownership and solicit end users in coordination with Space Coast Economic Development Commission
  - 2) Engage Master Developer to implement Business Park Plan via RFP/RFEI



# Next Steps

Final Report: End of March

