

**MINUTES OF THE
SANFORD AIRPORT AUTHORITY
ECONOMIC DEVELOPMENT ADVISORY COMMITTEE MEETING
TUESDAY, SEPTEMBER 2, 2014**

PRESENT: Frank S. Ioppolo, Jr., Chairman
Tom Ball
Jennifer T. Dane
Whitey Eckstein
William R. Miller
Clayton D. Simmons
Tim M. Slattery

ABSENT: U. Henry Bowlin
Stephen P. Smith

STAFF PRESENT: Larry A. Dale, President & CEO
Diane Crews, Vice President of Finance & Administration
George Speake, Vice President of Operations & Maintenance
Diana M. Muñiz-Olson, Executive Secretary

OTHERS PRESENT: Larry Adams, ACI Architects, Inc.
Joel Ivey, Ivey Planning Group
John A. Paccione, Oviedo/Red Horse Ventures, Inc.
Lydia Wing, PSI

1. CALL TO ORDER

The meeting was called to order at 10:30 a.m. by Chairman Ioppolo.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. COMMENTS FROM THE PUBLIC

None

4. APPROVAL OF MINUTES OF THE MEETING HELD ON AUGUST 12, 2014

Motion by Board Member Miller, seconded by Board Member Ball, to approve the minutes of the August meeting held on Tuesday, August 12, 2014. Vote taken, none opposed. Motion passed.

5. DISCUSSION OF 2014 FAC CONFERENCE PRESENTATION

Chairman Ioppolo encouraged the Committee to review the presentations on their own time.

6. GATOR DOCK & MARINE'S REQUEST FOR NEW FACILITY

During the regular September Board meeting, it was the consensus of the Board to move this item for further discussion at the SAA Economic Development Advisory Committee meeting.

Board Member Slattery stated that the Board has various options, and noted the Committee needs to get an order of preference on where it wants to borrow, how much, and where it will be invested. Discussion ensued regarding alternatives for funding and development.

Chairman Ioppolo asked the experts what trend they currently see in the marketplace. Joel Ivey stated the market is still down, and noted the most important thing is to retain current tenants. Larry Adams stated it might be interesting to use reverse engineering to determine what developers are willing to do or not. In regards to ground leases, he also sees a trend on private/public partnership. John Paccione stated the Authority needs to determine the risk parameters, and keep as many tenants as it can. He noted the tenant in question is not related to the primary duty of the Airport; however, they are related to the economic engine of the community. He further recommended staff determine what the tenant is currently paying versus what the tenant would pay somewhere else, or if they can tolerate to pay more for the new facility. Discussion ensued regarding funding, the primary mission of the Airport, and its development.

Regarding the request by the tenant, President Dale stated at this time staff is only requesting direction from the Board confirming if staff should continue discussions with the tenant, and later bring a proposal to the Board for approval.

Following discussion, motion by Board Member Miller, seconded by Board Member Dane, to support staff in exploring with the tenant either a ground lease where the tenant does the financing or where the Authority is responsible for the financing, provided the economics are worthwhile and appropriate. Vote taken, none opposed. Motion passed.

7. DISCUSSION WITH EXPERTS REGARDING AVIATION AND NON-AVIATION DEVELOPMENT

Chairman Ioppolo asked the experts for their recommendations.

Mr. Ivey briefed the Committee on a previous project, and noted that from it he learned that a long-term plan must be cohesive, and most importantly flexible. He cautioned the Committee to build flexibility into the master plan by incorporating mixed use, and to

keep the market options open. He stressed that a plan is a guide (not a building construction plan), and that a unifying theme might change. He believes the unifying theme is useful as a marketing tool, but it can be an enemy as well. Discussion ensued regarding a unifying theme. Mr. Adams agrees with the comments made by Mr. Ivey, and noted the way business is done has changed; adjustments have occurred not only due to the economy but because of innovations in technology. He further stated seamless connectivity is the driving growth in transportation, and noted the Airport has opportunities for global connectivity through the air. The Authority has to look at different models that can generate different revenues, not only aviation. It is really important to gather the data, know why the Airport is different, and what are its assets. Regarding the data, Mr. Paccione noted that by having a single governance source, it is easier to manage. He stated that contextually the market for aviation industry in the state of Florida is tremendous and there are some great opportunities. He would not advocate for a single brand/idea; however, he would advocate for multiple ideas.

Regarding the assessment, Mr. Adams stated the Authority has to come up with a definition of how valuable things are. Mr. Paccione stated that one of the starting policies would be to establish how much land the Airport owns and how is it being used. President Dale noted the Authority knows what it has; however, clarified the Authority is limited to what it can use due to restrictions.

Chairman Ioppolo reiterated the Authority needs to do an assessment first, and asked the experts what would follow. Mr. Paccione stated the second step would be how it is marketed; which marketplace (aeronautical or non-aeronautical in nature) is approached by the Authority. Mr. Adams stated it would be who the Authority is targeting and how it implements its policies. President Dale clarified the infrastructure (sewer plant, power, fiberoptic, four-laning of roads) was done years ago; now the Authority needs to have the patience to wait until the Sports Complex is developed. Mr. Paccione stated that people need to be aware of that (the infrastructure). Mr. Ivey stated that as the Authority is doing inventory, it must attract the right kind of tenants. He further noted the Authority needs to look at its current entitlement package and determine its strengths in order to market the property. If it comes down to competition, maybe incentives are worthwhile; however, Mr. Ivey believes the Authority has a good product and incentives are less important than they would otherwise be. Board Member Eckstein stated he expects a big demographic change in the future, and noted that planning should be centered on the increase of people coming into the area. Mr. Paccione stated he comes from the position that incentives are essential to compete in the marketplace. He noted close relationships with Enterprise Florida and local economic chambers have to be in place.

Board Member Simmons questioned how the Authority should advertise its assets. He noted Diane Crews is on the Tourism Development Committee but apparently the word is not going out. Mr. Paccione stated the Authority has to increase its visibility, and put incentives on the table for other like-manufacturers.

Board Member Slattery believes the Authority should make this as simple as possible; and noted the Authority has three (3) different areas to assess and it needs to determine what the market wants in those areas. He believes the market will determine

the timing; however, he does not agree with incentives since there is no urgency to develop the land. Board Member Ball stated the Authority has done a lot of the assessment already, and noted that although the market cannot be created, synergy will be created from this activity. Regarding Board Member Slattery's comment on incentives, Board Member Miller appreciates his comments but suggests the door must be kept open in that regard. President Dale thanked the experts for coming and for their great comments, and noted patience is the key.

8. CONTINUED DISCUSSION OF POTENTIAL DEVELOPMENT OF PREVIOUS IDENTIFIED AIRPORT-OWNED PARCELS

Not discussed due to time constraints.

9. OTHER BUSINESS

Chairman Ioppolo stated the agenda for the November meeting will include the discussion of potential development of identified parcels, the 2014 FAC Conference Presentations, and follow-up discussion to expert discussions.

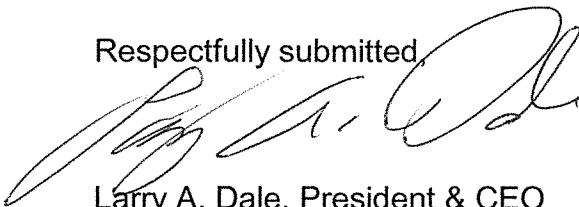
10. REMINDER TO SCHEDULE NEXT SAA ECONOMIC DEVELOPMENT ADVISORY COMMITTEE MEETING

It was the consensus of the Committee to meet after the regularly scheduled November Board meeting.

11. ADJOURNMENT

There being no further business, the meeting adjourned at 11:59 a.m.

Respectfully submitted,



Larry A. Dale, President & CEO
/dmo