Economic & Fiscal Impact Analysis

ANALYSIS AND OBSERVATIONS ON A PROPOSED ECONOMIC DEVELOPMENT PROJECT IN BREVARD COUNTY, FL

Eta Space

September 2025

Economic & Fiscal Impact Analysis: Eta Space

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Project Overview[2]

Eta Space, founded in 2019, is a home-grown Florida company currently headquartered in Brevard County, offering capabilities in cryogenic fluid applications for the earth, orbit, and the moon, with the mission of increasing the efficiency of cryogenic systems, and making space endeavors sustainable for the future.

Since its inception, Eta Space has employed some of the leading minds in cryogenic fluid management technology and chemical propulsion systems to design and deploy the most efficient cryogenic systems for the New Space & Energy Age. In 2023, Eta Space received a U.S. Department of Energy award to develop liquid hydrogen fueling infrastructure for future transportation systems. In 2024, the company announced the completion of the assembly and integration of the LOXSAT (liquid oxygen satellite) payload, a NASA-funded demonstration satellite designed to test cryogenic fluid management technologies in space, including zero-loss storage, transfer, and cryogenic pressure control. The company is rapidly becoming the leader in cryogenic propellant depots for reuseable space applications and terrestrial energy markets.

Currently operating out of a shared 15,000 SF space in Rockledge, Florida, Eta Space is interested in expanding its operations while increasing its capital assets. To accommodate anticipated future growth, they have submitted an offer to purchase the approximately 2-acre southernmost portion of parcel 23-35-03-NN-E at the Spaceport Commerce Park, with the intention of building a 4,000 SF office building and a 6,000 SF laboratory, testing, and fabrication facility that would contain a storage space, a weld shop, a tubing shop, an electrical development laboratory and a fluids test area.

Based on current trends in the construction industry, the construction budget of this project is estimated to be approximately $3M. The company expects its average annual purchases to reach approximately $12M from operations at the new facility and to bring between 17-23 new jobs to the region.

Brevard County staff have prepared this analysis to outline the project's potential economic and fiscal impacts throughout the county.

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[1] For more detailed information on RIMS II multipliers, please visit www.bea.gov/resources/methodologies.

[2] Sources: https://etaspace.com/about, Einpresswire 07-18-2023, Einpresswire 10-22-2024

Use of RIMS II Multipliers – Bureau of Economic Analysis

The analysis used in this report utilizes economic multipliers from the Bureau of Economic Analysis (BEA), a federal agency under the U.S. Department of Commerce that provides macroeconomic and industry statistics at the national, state, and county levels.

An economic "multiplier" is a numerical value, calculated to represent the degree to which an initial economic change creates other economic changes in a region. These multipliers are derived from three national input output (I-O) accounts known as the national "make, use, and import tables," which are maintained by the BEA. The data in these accounts primarily comes from the Economic Census and other annual surveys conducted by the U.S. Census Bureau[3]. The multipliers are adjusted to represent smaller geographic regions using location coefficients derived from regional data on industry presence.

RIMS II provides two types of multipliers:

(1) Final-Demand Multipliers
(2) Direct-Effect Multipliers

Final-Demand Multipliers

Final-Demand Multipliers represent the **degree to which a final demand change in economic activity impacts final demand changes or outputs throughout all industries and final users** in the region. These are characterized as change "per output" ratios.

A "final demand change" is a change in the purchases of commodities or services by final users. "Final demand" or "final use" refers to purchases of goods that are not used as intermediate inputs in the production process, but those which are purchased for use in their final form. A "final demand industry" refers to the industry which will be initially affected by the change.

Final uses are grouped into four categories: (1) Purchases by consumers outside the region (exports), (2) Investments in buildings and capital equipment, (3) Purchases by government, and (4) Purchases by households.

Direct-Effect Multipliers

Direct-Effect Multipliers represent the **degree to which the initial change in earnings or employment impacts the total change in earnings or employment**, respectively, across all industries in the region. These are characterized as "jobs per jobs" or "earnings per earnings" ratios.

[3] Source: Concepts and Methods of the U.S. Input-Output Accounts, BEA, 2006

Both **Final Demand** and **Direct Effect** multipliers are further divided into "Type I" and "Type II". An illustration of the impacts included in these multipliers is provided in **Figure 1**, below.

Type I

Type I multipliers account for the inter-industry (direct and indirect) impacts of a final-demand change. A "direct" impact is the value of inputs purchased in the first round of spending by the final demand industry. An "indirect" impact is the value of inputs purchased in subsequent rounds of spending by supporting industries.

Type II

Type II multipliers account for both the inter-industry impacts as well as the household spending (**induced**) impacts of a final-demand change. An "induced" impact is one that results from the spending created by increased household earnings. Type II multipliers are used when it is reasonably expected that most household earnings resulting from the economic change will be spent locally.

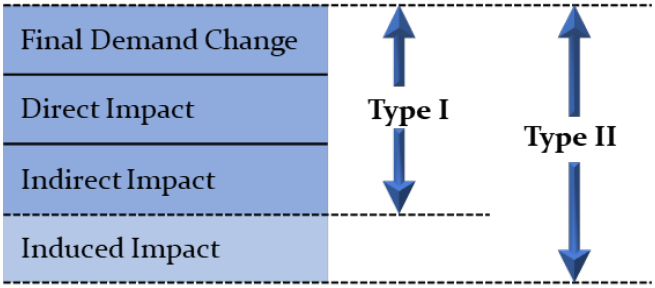

Figure 1: *RIMS II Terminology – Table modified from BEA RIMS II User Guide.*

The analysis that follows uses both final demand and direct effect multipliers from RIMS II. The multipliers used in this report are based on 2017 national benchmark input-output data, and 2022 regional data specific to the Brevard County MSA. They are also specific to the final demand industries identified for the construction and operation phases proposed for this project. Therefore, the data in this report is specific to the local market, and the local industries affected by this project.

Impacts calculated from using the above multipliers are expressed in terms of gross output, value-added (GDP), earnings, and employment. Please visit the BEA website, www.bea.gov, for more information on the calculation and derivation of multipliers, and the assumptions and data used in the RIMS II input-output model.

Eta Space: Input Variables

The economic impact analysis that follows is divided into two phases. The first analysis estimates economic impacts during the construction phase of the project, and the second estimates impacts once the construction phase is over, and operations commence at the new facility.

The inputs described below were applied to the RIMS II multipliers for Brevard County and used to forecast the impacts for both phases of the project:

Construction Phase:

- Final Demand Industry: Construction (Industry Aggregate #7)
- Final Demand Change: $3,000,000

Operation Phase[4]:

- Estimated Start of Operations: January 2028
- Final Demand Industry: 541700 Scientific Research and Development Services
- Final Demand Change: $5,250,000
    - 2025 Projected Annual Sales: $6,750,000
    - 2028 Expected Annual Sales: $12,000,000
    - Expected Increase in Annual Sales: $5,250,000
- Direct Effect Employment Change: 17
    - 2025: Projected 19 jobs
    - 2028: 36 jobs
    - Expected Increase in Number of Jobs: 17
- Direct Effect Earnings Change: $1,586,967
    - 2025 Projected Average Wages: $93,351
    - 2025 Projected Total Earnings (19 employees): $1,773,669
    - 2028 Expected Total Earnings (36 employees): $3,360,636
    - Expected Increase in Total Earnings: $1,586,967

[4] Eta Space: Three-Year average annual sales as well as revenue and employment projection range provided by company. The lower, more conservative estimate was used in analysis.

Eta Space: Forecasted Construction Impacts

RIMS II Multipliers: Type I & Type II for Construction Industry

Table 1 provides a list of the Type I and Type II multipliers that were retrieved from the RIMS II data set. These multipliers are specific to the construction industry in Brevard County and were used to estimate the impacts from the purchases made during the construction phase of this project.

	Industry Aggregation: #7 Construction	
	Type I Multipliers	**Type II Multipliers**
Final Demand Output	1.2869	1.5848
Final Demand Earnings	0.4278	0.5194
Final Demand Employment	7.5835	9.7927
Final Demand Value-Added	0.6884	0.8700

Table 1: *Type I and Type II Multipliers for Construction Industry, Brevard County, 2017 US Benchmark I-O Data, 2022 Regional Data*

Type II multipliers were included in this analysis because it was assumed the construction phase of the project would utilize existing local workforce expected to spend most of their earnings within the county, which would in turn stimulate household spending and create an induced impact.

Results

The total expected final demand change, or $3M of investment made primarily within the construction industry, was applied to the final demand multipliers referenced above. **Table 2** illustrates the results from the RIMS II model, and estimates the direct, indirect, and induced impacts from the initial $3M input of purchases that would be felt throughout the local economy.

Construction Impacts	Final Demand Change	Inter-Industry Impact	Induced Impact	Total Impact
Gross Output	**$3,000,000**	$3,860,700	$893,700	$4,754,400
Value Added		$2,065,200	$544,800	$2,610,000
Earnings		$1,283,400	$274,800	$1,558,200
Employment		23	7	29

Table 2*: Final Demand Impacts of Construction Phase of new facility.*

Gross Output

The "gross output" is the sum of all intermediate and final purchases of commodities throughout all industries in the region. This is a duplicative number, as inputs may be purchased multiple times by industries in the production process.

Based on the RIMS II input output and regional data set for the construction industry in Brevard County, the initial capital investment of $3M during the construction phase of the project would generate approximately **$3.9M** of inter-industry purchases, the majority of which would be made within the construction industry during the first round of spending (direct impacts). This number also includes the purchases that would be made throughout the supporting industries in the region, and subsequent rounds of spending (indirect impacts). Since the construction workforce is expected to be local, the model estimates an additional **$894K** of household spending to be generated in the local economy (induced impacts), suggesting that the construction phase of the project would stimulate a gross output totaling around **$4.8M** throughout the region.

Value-Added

The "Value-Added" measure is also called the Gross Domestic Product (GDP). It refers to the value that is added to a commodity on top of the combined value of its composition of raw materials, and includes purchases made by industries in excess of purchases that went into production, like employee salaries, taxes on production (less subsidies), and gross surplus (profit). "Value-Added" is also calculated as the sum of "Final Use" purchases made by final users in the economy.

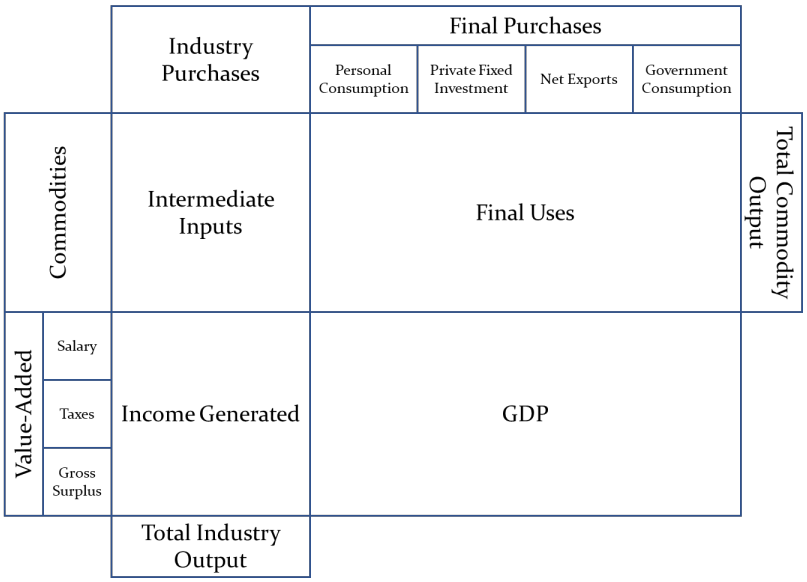

Figure 2: *National Use Table*

Figure 2 represents the flow of purchases throughout the economy, where "Total Industry Output", or the total purchases made by industries, equals "Total Commodity Output", or the total purchases of commodities. "Industry Purchases" include all the purchases that are made by industries for use in the production process (called "Intermediate Inputs"), as well as purchases that generate income.

Based on the final demand RIMS II multipliers specific to Brevard County and the construction industry aggregate, the value-added portion of the gross output generated by the construction phase of this project would result in **$2.1M** of direct and indirect impacts to the local economy, and an additional **$545K** of induced impacts. The model estimates that the construction phase of this project would yield an economic stimulus that would increase the region's GDP by **$2.6M**.

Earnings

Earnings are part of the value-added metric. The RIMS II earnings multipliers measure the total change in local household earnings per dollar of final-demand change.

Based on input data entered into the RIMS II model, an initial final demand change of $3M in the local construction industry would result in a direct and indirect earnings impact of **$1.3M**, felt throughout the local construction industry, and other supporting industries in the region. The induced earnings resulting from an increase in household spending would be an additional **$275K.** The total impact to earnings from this project would be around **$1.6M**.

Employment

The final measure that the RIMS II model provides based on final demand change is impacts to jobs in the region. The unit for the multiplier is jobs per $1M of final demand change.

Based on the findings of this analysis, the construction phase of this project would yield **23 direct and indirect jobs**, and an additional **7 induced jobs**, for a total of **29 jobs** created as a result of the construction phase of this project. These jobs would represent a mixture of full time and part time employment.

Eta Space: Forecasted Operations Impacts

RIMS II Multipliers: Type I & Type II for Scientific Research Industry

Table 3 lists the Type I and Type II multipliers that were retrieved from the RIMS II data set for Industry: 541700 Scientific Research and Development Services. These multipliers are specific to Brevard County and were used to estimate the economic impact of the project's first year of operation at full capacity.

Industry: 541700 Scientific Research and Development Services		
	Type I Multipliers	**Type II Multipliers**
Final Demand Output	1.3021	1.5897
Final Demand Value-Added	0.6576	0.833
Direct Effect Earnings	1.3307	1.6166
Direct Effect Employment	1.5983	2.2981

***Table 3**: Type I and Type II Multipliers for Brevard County, 2017 US Benchmark I-O Data, 2022 Regional Data*

Results

The total expected final demand change of $5.3M in annual purchases was applied to the final demand multipliers for the primary industry within which the company has operations. Since an estimate of employment and income was provided, direct effect multipliers were used to project earnings and employment impacts.

Table 4 provides the results from the RIMS II model, estimating the inter-industry and induced impacts from the operations at the new facility.

Operational Impacts	Final Demand/ Direct Effect Change	Inter-Industry Impact	Induced Impact	Total Impact
Gross Output	$5,250,000	$6,836,025	$1,509,900	$8,345,925
Value Added		$3,452,400	$920,850	$4,373,250
Earnings	$1,586,967	$2,111,777	$453,714	$2,565,491
Employment	17	27	12	39

***Table 4:** Final Demand and Direct Effect Impacts of New Operations in Brevard County.*

Gross Output

Based on the RIMS II input output data set for the scientific research and development services industry in Brevard County, Eta Space's annual increase in sales of $5.3M would stimulate the gross output of all industries in the local market by **$8.3M**. On top of the **$6.8M** of inter-industry impacts, there would be an additional **$1.5M** of induced impacts throughout all the industries in the local economy.

Value-Added

Based on the final demand multipliers used in the RIMS II analysis, the value-added portion of the gross output created by this project would result in **$3.5M** of direct and indirect impacts to the local economy, and an additional **$921K** of induced impacts triggered by household spending increases. Eta Space's operations would yield an economic stimulus that would increase the region's GDP by approximately **$4.4M**.

Earnings

The average wages for employees at Eta Space in 2025 was $93,351. At this wage value, the current Eta Space workforce of 17 employees earns a total of approximately $1,773,669 in Brevard County.

In 2028, the company expects to have a workforce of around 36 employees. Based on average wages of $93,351 per employee, the total earnings of the Eta Space workforce would be $3,360,636 in Brevard County. Only the total earnings of the 17 additional employees, or the $1.6M earnings change, was input into the RIMS II model.

Using the direct effect earnings multiplier specific to the scientific research and development services industry for Brevard County in RIMS II, the inter-industry impact was estimated at approximately **$2.1M**. Earnings impacts related to increases in household spending would add an additional **$454K**. Total earnings impacts felt throughout the county would be around **$2.6M**.

Employment

The RIMS II model estimated that a change of 17 additional jobs in the industry would yield **27 direct and indirect jobs**, and an additional **12 induced jobs**, for a total of **39 jobs** created after operations commence at the new facility. These jobs would represent a mixture of full time and part time employment.

Eta Space: Fiscal Impact Analysis

Key Project Components[5]

Current Taxable Value of Building	
Undeveloped parcel – Spaceport Commerce Park	--
Anticipated Capital Investment	
Land ($130K) Construction ($2.87M)	$3,000,000
Anticipated Market Value	$2,400,000
Anticipated Capital Investment (Equipment)	$200,000

The above project components were used to estimate the potential fiscal impacts to the local public sector.

Taxes Anticipated from Project Implementation (Approx) – ONE TIME

Sales Tax		**$94,360**
Est Construction Budget	$2,870,000	
Est Materials Cost (40%) + Equipment Cost	$1,348,000	
7% Sales Tax on Materials	$94,360	
Impact Fees		**$69,419**
City of Titusville	$37,880	
Brevard County	$31,539	
Building Permit		**$86,100**
3% Construction Budget	$86,100	

Taxes Anticipated from Project Implementation (Approx) -ANNUAL

Real Property Tax		**$40,858**
Anticipated Market Value	$2,400,000	
Rate: 17.024/$1,000	$40,858	
Tangible Personal Property Tax		**$3,405**
Equipment	$200,000	
Rate: 17.024/$1,000	$3,405	

Initial Annual Fiscal Stimulus	**$294,141**

***Table 5**: Estimated Fiscal Impacts. All figures are estimates and based on available data.*

INITIAL ANNUAL FISCAL STIMULUS: $294,141

[5] Land value is based on offer letter, not final deed. Equipment estimate is based on assumption that most equipment will be transferred. Taxes paid for existing equipment has not been included in the impact analysis.

Eta Space: Impact Summary

This report provides an estimate of the potential impacts from the construction of a new 10,000 SF laboratory and fabrication facility at the Spaceport Commerce Park, as well as the expansion of Eta Space's operations and workforce in Brevard County, in which the company would hire 17 new employees at average annual wages of around $93,351.

Construction Spending Impacts

$4.8M
29 Jobs

Operations Impacts

$8.3M
37 Jobs

Fiscal Impact

$294K Return to Local Govts

Based on the analysis conducted using RIMS II multipliers, this project would create a combined total economic impact of around **$13.4M**, of which $4.8M would be generated from the construction phase, and $8.3M would be realized through the new output produced by the company.

The project would also be expected to result in the creation of around **66 direct, indirect, and induced jobs** throughout the local economy. Purchases made for this project would generate a one-time fiscal stimulus to city, county and state governments through sales taxes and the collection of impact and permitting fees, of approximately **$294K**.

Data used in this analysis, including construction budgets, property valuation, projected sales and future employment numbers are estimates and subject to change. The BEA does not endorse estimates and/or conclusions about the economic impact of a proposed change on an area. The calculations in this report were performed by Brevard County Planning and Development staff. Conclusions are reliable, not guaranteed.