



April 7, 2021

Mr. Frank Abbate
County Manager
Brevard County
2725 Judge Fran Jamieson Way, Building C
Viera, FL 32940 USA

Dear Mr. Abbate:

The Ad Valorem Tax Abatement Council convened on April 5, 2021, to review an application submitted by Dark Storm Industries, LLC.

The following Council members were in attendance: Mark Busalacchi, Orlando Melbourne International Airport; Melissa Byron, City of Cocoa Beach; Angela Essing, City of Cocoa;; Gail Hart, Caliburn International, LLC; Neal Johnson, Union Home Mortgage; Robert Jordan, Genesis VII Inc; Joan Junkala, City of Palm Bay; Michael Vernich, BRPH; Bradley White, WhiteBird, PLLC; Michael Williams, Sr., M.H. Williams Construction Group, Inc.

Guest(s): Dave Berman, Florida Today; Lisa Nicholas, City of Titusville

EDC staff members in attendance included: Edgar Campa-Palafox, Director, Business Development; Cammie Goode, Project Manager;

Remote EDC staff members in attendance via telephone included: Gregory Weiner, Senior Director, Business Development

Dark Storm Industries, LLC plans to create 50 new jobs over 4 years, with an average wage of \$50,000 and a total capital investment of approximately \$3,200,000.

# of New Jobs	Date jobs will be created
10	Year 1
10	Year 2
15	Year 3
15	Year 4

TOTAL

50

The Ad Valorem Tax Abatement Council made the recommendation of 100 percent abatement for 10 years for Dark Storm Industries, LLC.

The Council consulted the EDC's Economic Impact Analysis and the guidelines attached to Brevard County Ordinance No. 96-41.

Should you have any questions, please feel free to contact me.

Sincerely,

Edgar Campa-Palafox, CECD
Director, Business Development

SUPPLEMENTAL APPLICATION

**BREVARD COUNTY ECONOMIC DEVELOPMENT
AD VALOREM TAX EXEMPTION PROGRAM**

APPLICANT NAME: Dark Storm Industries, LLC (Project Freedom)

NOTICE: This supplement is to be used by the applicant to provide additional information required by Economic Development Ad Valorem Tax Abatement Ordinance, Chapter 102, Division 3, Sections 181-191, Brevard County Code; and to provide other information requested by the Board of County Commissioners and the entities who will review the application.

Any business seeking an exemption shall file an application with the County before the business has made the decision to locate a new business in the County or before the business has made the decision to expand an existing business in the County. Any business decisions, such as announcements, leasing of space or hiring of employees, made prior to final County Economic Development Tax Abatement approval (and not made contingent upon County approval) may constitute grounds for disapproval. Projects, which clearly do not require inducement, will not be approved.

1. Length of exemption requested is total of 10 years (length of exemption approved is sole discretion of County Commission and commences on the adoption date of the ordinance granting the exemption).
2. Proposed Property Address (legal description & street address):
A PARCEL OF LAND LYING IN SECTION 4 TOWNSHIP 23 SOUTH, RANGE 35 EAST AND BEING A PART OF PARCEL "D" AS SHOWN ON THE PLAT OF ENTERPRISE PARK AS RECORDED IN PLAT BOOK 32, PAGE 74 OF THE PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA. SAID PARCEL OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: refer to map and legal description attachment.
3. Property Owner Name: Brevard County
Address: 345 WENNER WAY C/O ASSET MANAGEMENT COCOA FL 32926
Telephone No. _____ FAX No. () _____
4. Authorized Agent: Edward Newman
Address: 4116 Sunrise Hwy, Oakdale, NY 11769
Telephone Number: (631) 967-3170 x100 Fax No. () _____
5. Type of industry or business: Firearms Manufacturing
6. NAICS Code(s) 332994
7. Brief description of product and expansion plans (The applicant is to provide an executive summary of its business plan):
New 25,000 sq. ft. Corporate HQ/Manufacturing facility which will include Engineering, Manufacturing, Assembly, Warehousing, Shipping, Sales, Marketing and Accounting
8. Anticipated number of new employees (The applicant is to provide a breakdown of jobs to be created by category and planned salary to be paid by position):

Project Year	Number of net new full-time equivalent Brevard County jobs created in the business unit
I	10
II	10
III	15
IV	15
Total	50
9. As of the date of this application, what is your total current Brevard County Employment? 0
10. Expected number of new employees who will reside in Brevard County: 50
11. Percentage of existing employees who have resided in the County for more than two years: N/A
12. Anticipated average wage of employees (excluding employee benefits, but including overtime): \$50,000
13. Estimated new capital investment as a result of expansion or relocation of business:
Estimated new construction value: \$2,000,000
Estimated new personal property value: \$1,200,000
14. Environmental impact of business. (Identify the number and type of environmental permits required as a result of this project: e.g. air, soil and water pollution, water and sewer, dredge and fill, storm water, industrial wastewater; provide a brief narrative statement of the company's environmental impacts): none
15. Anticipated volume of business or production (estimated gross revenue): \$10-15 Million
16. Would the relocation or expansion occur without the exemption: Yes [] No [X]
17. Estimated source of supplies (local or otherwise):
Estimated % source of supplies County: Estimated 20%
Estimated % source of supplies Florida: Estimated 10%

18. Estimated % source of supplies out-of-state: Estimated 70%
Business is/will be located in a community redevelopment area: Yes [] No [X]

Name of area: _____

19. Do you desire exemption as a
"Relocation" [X], "Expansion of Existing Business Function" [] or as an "Expansion of New Business Function" []

SIGNATURES:

I hereby confirm the information provided by Edward Newman to the Economic Development Commission of Florida's Space Coast and the Board of County Commissioners for the purpose of calculating the economic impact and benefit of the proposed tax abatement is true, accurate and complete. I further confirm that Edward Newman is not in violation of any federal, state or local law, or regulation governing environmental matters. I hereby acknowledge and agree upon approval of the Economic Development Ad Valorem Tax Abatement Ordinance by the Brevard County Board of County Commissioners that Edward Newman will provide the CareerSource Brevard its job openings to be posted on www.employflorida.com and agrees to consider for employment candidates referred by Brevard Workforce.

DATE: 2/12/2021

SIGNED: _____

TITLE: _____

(Applicant)
Managing Member

SIGNED: _____

(Preparer)

(Preparer's Address)

(Preparer's Telephone Number)

ECONOMIC DEVELOPMENT COMMISSION (EDC) USE ONLY

EDC Economic Impact Analysis:

EDC's Recommendation:

The Economic Development Commission of Florida's Space Coast hereby certifies that it has proof, to the satisfaction of the EDC, that the applicant meets the criteria of a new business or for an expansion of an existing business as defined in Section 184, Chapter 102, Brevard County Code. Furthermore, the EDC has conducted an economic impact analysis, applying acceptable multipliers as defined by the State Department of Commerce, which concludes that the applicant does hereby meet the economic benefit test; and, therefore, the EDC recommends to the Brevard County Commission that the applicant receive an ad valorem tax exemption for 100 percent of its eligible taxes and for a period of 10 years.

DATE: April 5, 2021

SIGNED: _____

(EDC President)

COUNTY USE ONLY

County Manager's Recommendation:

DATE: _____

SIGNED: _____

(County Manager)

BREVARD COUNTY
ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION
Chapter 196, Florida Statutes

To be filed with the Board of County Commissioners, the governing board of the municipality, or both, no later than March 1 of the year the exemption is desired to take effect.

1. Business name: Dark Storm Industries LLC
Mailing address: 4116 Sunrise Highway, Oakdale, NY 11769
2. Name of person in charge of business: Edward Newman
Telephone No.: (631) 967-3170 ext. 100 FAX No.: ()
3. Location of business (**legal description and street address**) of property for which this report is filed:
A PARCEL OF LAND LYING IN SECTION, 4 TOWNSHIP 23 SOUTH, RANGE 35 EAST AND BEING A PART OF PARCEL "D" AS SHOWN ON THE PLAT OF ENTERPRISE PARK AS RECORDED IN PLAT BOOK 32, PAGE 74 OF THE PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA. SAID PARCEL OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: refer to map and legal description attachment.
4. Date business opened at this facility: TBD
5. a. Description of the improvements to real property for which this exemption is requested:
Construction of a new 25,000 sq. ft. Corporate HQ/manufacturing facility
- b. Date of commencement of construction of improvements: Upon approval of anticipated exemptions and incentives
6. a. Description of the tangible personal property for which this exemption is requested and date when property was purchased:

Class or Item	Age	Date of Purchase	Original Cost	Taxpayer's Estimate of Condition			Taxpayer's Estimate of Fair Market Value		APPRAISER USE ONLY	
CNC Machines, Forklift, various other manufacturing and office equipment		TBD	\$1.2 M							

- b. Average value of inventory on hand: \$100,000
- c. Any additional personal property not listed above for which an exemption is claimed must be returned on form DR-405 (Tangible Personal Property Tax Return) and a copy attached to this form.
7. Do you desire exemption as a "New Business" [X] or as an "Expansion of an Existing Business" []
8. Describe the type or nature of your business: Manufacturer of firearms
9. Trade level (check as many as apply):
Wholesale [X] Manufacturing [X] Professional [] Service [] Office [] Other [X]
10. a. Number of full time employees employed in Florida: 0
- b. If an expansion of an existing business:
(1) Net increase in employment _____ or _____ %

(2) Increase in productive output resulting from this expansion _____ %

11. Sales factor for the facility requesting exemption:

Total sales in Florida from this facility - one (1) location only \$1 M divided by
Total sales everywhere from this facility - one (1) location only \$10 M = 10%

12. For office space owned and used by a corporation newly domiciled in Florida: Not yet incorporated

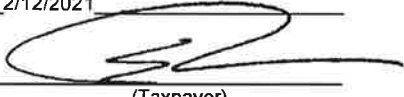
a. Date of incorporation in Florida n/a
b. Number of full-time employees at this location n/a

13. If requesting an exemption due to location in a slum or blighted area, please furnish such additional information as required by the County Commission, City Commission, or Property Appraiser.

I hereby request the adoption of an ordinance granting an exemption from ad valorem taxation on the above property pursuant to Section 196.1995, Florida Statutes. I agree to furnish such other reasonable information as the Board of County Commissioners, the governing authority of the municipality, or the Property Appraiser may request in regard to the exemption requested herein. I hereby certify that the information and valuation stated above by me is true, correct, and complete to the best of my knowledge and belief. (If prepared by someone other than the taxpayer, his declaration is based on all information of which he has any knowledge.)

DATE: 2/12/2021

Signed: _____
(Preparer)

SIGNED: 
(Taxpayer)

(Preparer's Address)

TITLE: Managing Member

(Preparer's Telephone Number)

PROPERTY APPRAISER'S USE ONLY

I. Total revenue available to the County or municipality for the current fiscal year from ad valorem tax sources:

II. Revenue lost to the County or municipality for the current fiscal year by virtue of exemptions previously granted under this section:

III. Estimate of the revenue which will be lost to the County during the current fiscal year if the exemption applied for were granted had the property for which the exemption is requested otherwise been subject to taxation:

IV. Estimate of the taxable value lost to the County or municipality if the exemption applied for were granted:
Improvements to real property _____ Personal Property _____

V. I have determined that the property listed above meets the definition, as defined by Section 196.012(15) or (16), Florida Statutes, as a New Business [], an Expansion of an Existing Business [], or Neither [].

VI. Last year for which exemption may be applied: _____

DATE: _____

SIGNED: _____
(Property Appraiser)

RETURN TO BE FILED NOT LATER THAN MARCH 1

Dark Storm Industries, LLC Ad Valorem Tax Abatement Executive Summary

Dark Storm Industries, LLC (Project Freedom) is a federally licensed firearms manufacturer currently located in New York. The company now produces many of the components for their firearms in their own CNC advanced manufacturing facility. The company currently has 40+ employees, annual sales exceeding \$12,000,000 and a 6-month backlog of new orders.

The company's growth trajectory requires expansion of its manufacturing capabilities. The expansion of manufacturing capabilities provides the opportunity to relocate to a more economically desirable location. Products manufactured by the company are shipped across the United States. The site search and the final location determination are heavily driven by a variety of economic factors, including labor costs and taxes. The initial site selection process included Florida, Georgia, North Carolina, South Carolina and Texas.

Project Freedom is contemplating building a new 25,000 sq. ft. facility that will include manufacturing, assembly, warehousing, shipping, sales, marketing and accounting. The new corporate headquarters will dramatically expand the company's production capabilities and allow ongoing sales and workforce growth. The site under consideration in Brevard County provides for an additional 20,000 sq. ft. phase 2 expansion at a future date. The Company projects it will employ 50 people with an average wage in excess of \$50,000.00 as indicated in our application. In addition to the base wage, employees will enjoy a competitive package of benefits. The company expects to spend \$2,000,000 to purchase land and construct the building and invest an additional \$1,200,000 in equipment.

Advanced manufacturing businesses like ours have a significant multiplicative factor in the local economy as we try and use local suppliers for materials, tooling, packaging and finishing services. Given the nature of our product, American-made components are an important part of our brand and we are more likely to purchase items such as raw materials, packaging, etc. from a local supplier instead of from overseas.

The company has pending offers from other Counties within Florida which include 100% Ad Valorem Tax Abatement for 10 years. Our business is extremely competitive. The costs associated with taxes, wages, as well as land and construction, are the major factors in making our final decision.

AD VALOREM TAX ABATEMENT

Job Creation Distribution Worksheet

JOB TITLE / DESCRIPTION	NUMBER OF JOBS	WAGE	ANTICIPATED HIRE TIMELINE (BY YEAR)
Outside Sales	1	\$100K	Year 1 (~2022)
Marketing / Social Media	1	\$80K	Year 1 (~2022)
Controller	1	\$100K	Year 1 (~2022)
Assembly Manager	1	\$65K	Year 1 (~2022)
CNC Manager	1	\$85K	Year 1 (~2022)
Assembly Technician	2	\$37K	Year 1 (~2022)
CNC Operator	5	\$42K	Year 1 (~2022)
Shipping / Receiving	1	\$42K	Year 1 (~2022)
CNC Assistant	1	\$32K	Year 1 (~2022)
Inside Sales	1	\$50K	Year 2 (~2023)
Pro Shop Manager	1	\$52K	Year 2 (~2023)
Pro Shop Associate	2	\$31K	Year 2 (~2023)
Purchasing	1	\$42K	Year 2 (~2023)
CNC Operator	5	\$42K	Year 2 (~2023)
CNC Assistant	1	\$32K	Year 2 (~2023)
Assembly Technician	1	\$37K	Year 3 (~2024)
Outside Sales	1	\$100K	Year 3 (~2024)
IT / Systems	1	\$52K	Year 3 (~2024)
CNC Designer / Programmer	2	\$65K	Year 3 (~2024)
CNC Operator	5	\$42K	Year 3 (~2024)
CNC Assistant	1	\$32K	Year 3 (~2024)
Shipping / Receiving	1	\$42K	Year 3 (~2024)
Accounting / HR Clerk	1	\$52K	Year 4 (~2025)
Facility Maintenance	1	\$42K	Year 4 (~2025)
Assembly Technician	1	\$37K	Year 4 (~2025)
Gunsmith	1	\$52K	Year 4 (~2025)
CNC Designer / Programmer	2	\$65K	Year 4 (~2025)
CNC Operator	5	\$42K	Year 4 (~2025)
CNC Assistant	1	\$32K	Year 4 (~2025)
Shipping / Receiving	1	\$42K	Year 4 (~2025)
Total:	50	\$50K Average	~2022 through 2025

Dark Storm Industries, LLC

Brevard County, FL

03/02/21

Overview:

New Job Commitment:	50	Capital Investment:	\$3,200,000
Average Annual Wage:	\$50,000		

Economic impact from job creation:

Jobs	Net New Wage	Contribution to GDP
50 (Direct)	\$2,500,000 (Direct)	\$6,626,168 (Direct)
20 (Indirect)	\$1,251,951 (Indirect)	\$1,698,216 (Indirect)
17 (Induced)	\$685,477 (Induced)	\$1,300,164 (Induced)
87 TOTAL	\$4,437,428 TOTAL	\$9,624,547 TOTAL

- For every employment position created by Dark Storm Industries, LLC approximately 0.73 additional jobs will be developed to support the operation of the facility.
- For every payroll dollar paid to Dark Storm Industries, LLC approximately \$0.78 will be generated for consumer spending.

County Tax Impact

Years 1-10

	Annual Taxes on Construction	
Projected Tax Assessed	\$	19,006.24
Potential Abatement (at 100%)	\$	8,248.16
Net New Revenue to County	\$	10,758.08
	Annual Taxes on Personal Property	
Projected Tax Assessed	\$	11,403.74
Potential Abatement (at 100%)	\$	4,948.90
Net New Revenue to County	\$	6,454.85
Total New Revenue to County	\$	17,212.93

Years 11+ : Company will be assessed for 100% of tax liability

Tax Millage Code – 14A0

NAICS – 332994

IMPLAN Sector – 257

Analysis based on information supplied by Dark Storm Industries, LLC - March 2021

Economic impact calculations furnished by EDC Research Office, using IMPLAN 5.20 (www.IMPLAN.com). Abatement & millage numbers are estimates; all final numbers determined solely by the Brevard County Property Appraiser's Office.