

Melbourne-Palm Bay Chamber of Commerce

ENVIRONMENTAL SCAN 2009

Introduction

The Melbourne-Palm Bay Chamber of Commerce is located in the center of Brevard County on the famous Florida Space Coast. Brevard County, a 72 mile long high-tech corridor with some of the finest natural beaches and wildlife resources in the nation, has a population in excess of 536,000 people. A popular family tourist destination, it is located about 35 miles due east of the Orlando and Central Florida marketplace.

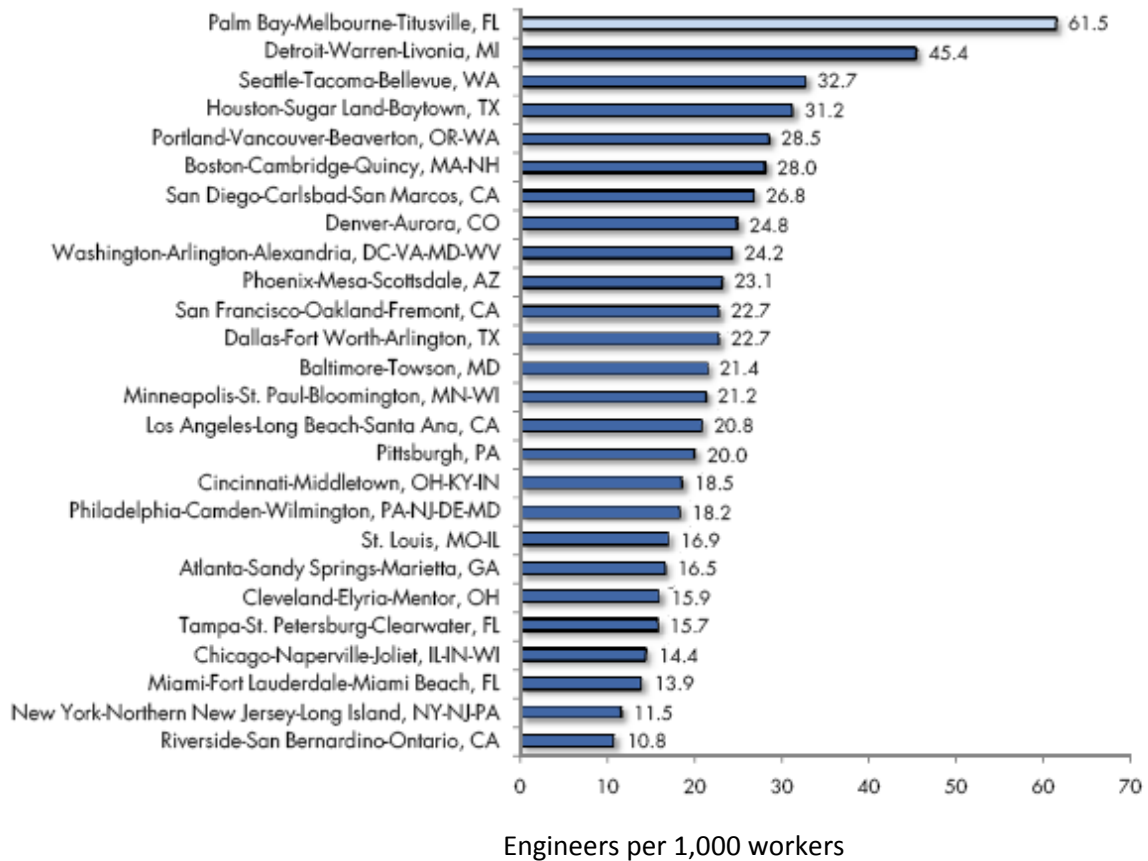
The economy of Brevard County is driven from many sectors which keep the area well balanced, including: technology, tourism, manufacturing, health care, agriculture, education, military, construction, and financial services.



The high-tech sector has had the most significant economical impact in the county. Brevard's technology sector has stood out as a beacon of sustainability accounting for fully two-thirds of Brevard's recent economic growth. Employment in our core high-tech manufacturing industries including Advanced Security, Aviation/Aerospace, Communications, Electronics and Emerging Technologies continue to show positive growth.

The region has the highest concentration of engineers in the United States with 61.5 engineers per 1,000 workers. That number far exceeds any other of the 25 most populated MSA's around the country including any area in California, Texas, Michigan or other parts of Florida. This dense population of engineers is one of the main assets of the local public schools system, helping place it amongst the top in the state and very strong compared to the rest of the country.

National Comparison



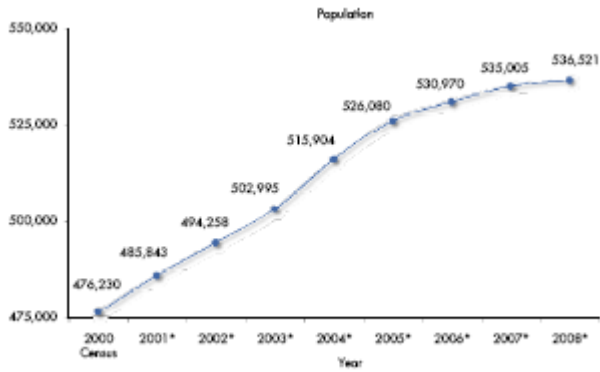
The area contains some of Florida’s main waterways including the St. John’s River and the Intracoastal Waterway, which serves as a protective shelter for travel between the Caribbean and northeast United States. Kayaks, canoes, surfboards, motorboats, airboats and sailboats, are seen up and down the landscape. Great local fishing includes dolphin, tuna, cobia, tarpon, bass and trout.

There is a unique abundance of wildlife species in Brevard County partially due to a large variety of habitats. Many species co-exist here due to the temperate air mass from the north meeting the tropical air mass from the south, allowing species to co-exist at the southern or northern limits of their range. Indigenous species include: sea turtles, river otters, marsh rabbits, feral hogs, white tail deer, alligators and Florida bobcats.

Some of the finest natural beaches are found in Brevard. These beaches stretch the length of the county along the Atlantic Ocean and include some of the best surfing spots on the East Coast of the United States. Two examples are Sebastian Inlet and Spanish House.

Demographics

Brevard County has a high number of newcomers to the area relative to other parts of the country. To support the evolving space programs the population exploded in the 80's, 90's and continues to this day. Less than 12% of households have been in the area since 1979 and well over half of all households have moved to the area since 1995. In recent times, the population has increased from 476,230 in 2000 to 536,521 in the year 2008.



More than one quarter million people in Brevard are in the workforce, with just over 45 percent of the population between the ages of 20 and 54. Of those over 25, almost 90 percent have a high school diploma or higher, 28 percent hold at least a bachelor's degree, and slightly more than 11 percent earned graduate degrees.

Hispanic population has almost doubled in the last eight years rising from 21,970 in the year 2000 to 38,694 people in 2008. The African American population has also made large gains over the same period rising from 8.6% of the population in 2000 to 10.1% in 2008.

Brevard continues its convergence toward the national average in per capita income. Located within a historically lower-income state, 2006 per capita income in the county was \$34,081, up from \$27,425 in 2001. Separated by just \$300 in 2001, Brevard's per capita income now exceeds that of neighboring Orlando by almost \$1,000.

Palm Bay in the south part of the county is the largest municipality by population, followed by Melbourne and Titusville.

	2000 Census	2001 Estimate*	2002 Estimate*	2003 Estimate*	2004 Estimate*	2005 Estimate*	2006 Estimate*	2007 Estimate*	2008 Estimate*	% Change	
										2007-2008	2000-2008
Cape Canaveral	8,829	8,930	9,148	9,486	9,759	10,417	10,297	10,222	10,147	-0.7%	14.9%
Cocoa	16,412	17,027	16,975	16,951	17,159	17,046	16,654	16,551	16,478	-0.4%	0.4%
Cocoa Beach	12,482	12,491	12,517	12,425	12,502	12,310	12,093	11,996	11,920	-0.6%	-4.5%
Grant-Valkaria	N/A	2,952	2,958	2,945	2,968	2,934	2,879	2,862	2,878	0.6%	N/A
Indialantic	2,944	2,938	2,956	2,944	2,950	3,045	2,971	2,939	2,931	-0.3%	-0.4%
Indian Harbour Beach	8,152	8,209	8,440	8,441	8,458	8,370	8,418	8,352	8,311	-0.5%	2.0%
Malabar	2,622	2,653	2,665	2,689	2,735	2,744	2,726	2,749	2,745	-0.1%	4.7%
Melbourne	71,382	74,404	74,854	75,545	76,212	76,847	77,286	77,347	77,351	0.0%	8.4%
Melbourne Beach	3,335	3,346	3,352	3,327	3,331	3,280	3,203	3,169	3,150	-0.6%	-5.5%
Melbourne Village	706	705	704	698	702	695	679	677	671	-0.9%	-5.0%
Palm Bay	79,413	80,720	82,798	84,628	88,157	91,902	97,123	99,910	100,786	0.9%	26.9%
Palm Shores	794	868	874	874	886	888	884	874	870	-0.5%	9.6%
Rockledge	20,170	20,912	21,697	22,180	23,188	24,052	24,146	24,598	24,747	0.6%	22.7%
Satellite Beach	9,577	11,753	11,758	11,712	11,790	11,694	11,801	11,743	11,762	0.2%	22.8%
Titusville	40,670	41,139	41,275	41,776	42,430	43,625	43,675	43,847	44,756	2.1%	10.0%
West Melbourne	9,824	11,112	11,729	12,531	13,989	14,940	15,075	15,144	15,328	1.2%	56.0%
UNINCORPORATED	188,918	185,684	189,558	193,843	198,688	201,291	201,060	202,025	201,690	-0.2%	6.8%
TOTAL	476,230	485,843	494,258	502,995	515,904	526,080	530,970	535,005	536,521	0.3%	12.7%

*July 1 estimates

Source: U.S. Census Bureau

Economic Factors

In 1962, the Kennedy administration selected East Central Florida for the location of NASA's new Launch Operations Center at the John F. Kennedy Space Center. In doing so, it lit the fuse for an agglomeration of specialized economic activity seldom found elsewhere.

The availability of technical talent in Brevard is second to none. Almost one-fifth of the workforce is employed in the aerospace sector. Today, almost 100 companies and approximately 19,000 professionals make up Brevard County's envied aerospace cluster. Engaged in everything from mission support services to the design and manufacture of aircraft and aircraft components, the cluster's reach now extends far beyond the nation's Space Program.

Some of the major players include Harris Corporation with 6,700 employees, United Space Alliance with 5,890 employees, Space Gateway Support with 1760 employees, Northrop Grumman Corporation with 1,640 employees and Boeing with 1,010 employees.

Brevard also benefits economically from a large military presence including being host to Patrick Air Force Base and Cape Canaveral Air Force Stations. These two operations employ 10,400 residents directly and the estimated indirect employment is 5,036 residents. Base expenditures include construction, services, materials equipment and supplies procurement totaling \$1,066,503,563 for the year 2008.

In 2005, the MSA of Brevard County received the prestigious Milken Institute's Best Performing City award. The Best Performing Cities Index ranks U.S. metros based on their ability to create and sustain jobs as well as four measurements for technology output growth.

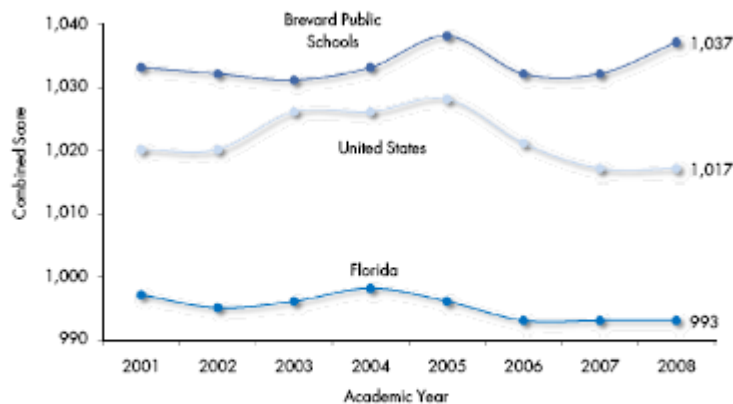
Education

Brevard County consists of a multitude of quality upper level educational institutions including Florida Institute of Technology, Embry-Riddle Aeronautical University, Barry University, Webster University, Rollins College-Brevard and University of Central Florida-Brevard. Florida Institute of Technology and Embry-Riddle Aeronautical University serve as a strong foundation for the evolving technological corridor. A continuing workforce pipeline arises from these two world class institutions. These institutions augment the space tech program at Brevard County Community College facilitating the transition of exiting active duty military personnel from local military installations into civilian employment into the technological sector.

In addition, education of future generations is promoted through a superior county school system including Melbourne High School, Palm Bay High School, Eau Gallie High School, Viera High School, Melbourne Central Catholic, Bayside High School, and Florida Air Academy, which is an official Air Force ROTC program, grades 7-12.

Public and private schools offer a varied selection Pre-K through 12 and enjoy some of the highest achievement scores in the state.

The Brevard Public School system recently won the Governor's Sterling Award and was only the second school district in Florida to receive it. This award recognizes organizations and businesses in Florida that have successfully achieved performance superiority within their management and operations. Each winner has undergone an in-depth assessment and evaluation that include an expert team of examiners conducting an on-site review of the organizations' management systems and organizational performance results.



Source: Brevard Public Schools; Florida Department of Education

Brevard has 32 of the top 100 schools in the state regarding FCAT scores. 99% of Brevard County's schools are A or B schools. 92% are A schools and the Brevard Public School System is ranked 2nd in the state by the Florida Department of Education and ranks third in the nation in the percentage (11.3%) of

National Board Certified Teachers. In 2008, 77 BPS students simultaneously earned high school diplomas and A.A. degrees and BPS ranks 1st in Florida in percentage of students in dual enrollment. BPS is first out of 67 school districts in the state for graduation rate, and has the third lowest dropout rate in Florida. BPS is home to 5 of the 23 “Glasser Quality Schools” in the World. Glasser schools have successfully adopted “Choice Theory” which advocates motivation of children through choice versus coercion.

Competition

The Melbourne-Palm Bay Chamber of Commerce is one of four chambers in Brevard County. The Melbourne-Palm Bay Chamber of Commerce was first chartered under the name Melbourne Chamber of Commerce in 1925. Several name changes and one consolidation later, we emerged as The Greater South Brevard Area Chamber of Commerce effective January 1, 1987. Once again our name changed to the current name and our Chamber represents all the communities of South Brevard: Melbourne, Palm Bay, West Melbourne, Melbourne Beach, Indian Harbour Beach, Satellite Beach, Indialantic, Palm Shores, Malabar, Melbourne Village, Suntree and Viera. The Melbourne-Palm Bay Area Chamber of Commerce is a people power organization, working effectively to make the South Brevard Area a better place in which to live and work. It is a marshaling ground for civic endeavor. It is the community’s department of progress.

Other Chambers in Brevard County include The Cocoa Beach Area Chamber of Commerce, The Greater Palm Bay Area Chamber of Commerce (formed following the aforementioned consolidation) and The Titusville Area Chamber of Commerce. Although these Chambers are separate organizations that operate independently, they work together on mutual issues of importance and toward common goals through the Brevard County Council of Chambers.

With 1,200 members covering a diverse representation of the business population, the Melbourne-Palm Chamber continuously strives to provide our members with value for their membership dollars. A goal is to be a leader in providing education and learning opportunities, business counseling and networking. Maximum attendance and benefits from these programs will be achieved by partnering and collaborating with other entities and networking resources to maximize our exposure with minimum effort.

Social Factors

Living in Brevard County provides residents a lifestyle few areas can surpass. The Melbourne area enjoys the best of the Florida climate with annual temperatures ranging from an average low of 50 degrees to an average high of 88 degrees. . Nearly geographically perfect, Orlando is 76 miles, 95 miles to Daytona Beach, 152 Miles to Tampa, 183 Miles to Jacksonville, 216 Miles to Miami, and 318 Miles to Tallahassee

Multiple recreational opportunities for youths to seniors exist with over 72 miles of beaches and more than 200 parks plus our own zoo. Bordered by the Atlantic Ocean to the east and dissected north to south by the Intercoastal Waterway, the entertainment parks of Orlando are one hour away. More than one dozen golf courses and tennis court facilities are available with only a few being private. A family can enjoy fishing, surfing, boating, sailing, and hiking. The cultural venues are numerous as well. The area

enjoys several small playhouses featuring local talent, the King Center which attracts national talent and shows, four symphony orchestras, a long list of museums , several of public libraries and much more. A short drive north on I-95 is Kennedy Space Center and Astronaut Hall of Fame. This exciting, popular attraction features 3 different IMAX films taking you into space, life-size replica Space Shuttle Explorer, and International Space Station Center. Space Coast Stadium is home to the Washington Nationals and the Florida Manatees, and Melbourne Greyhound Park is open seven days a week, offering live dog racing from January through April. Every month you will find the calendar full of a diverse variety of festivals, many ethnic in nature, bringing the entire community together.

Shopping is well represented at four major shopping malls and boutique shopping communities. Dining and entertaining options are well represented by locals and national chains.

Cost of living is 6% below the state average. The crime rate has continuously maintained ratings below state average.

Politics

Serving as an advocate for local businesses on a wide variety of issues and communication the business viewpoint at all levels of government are crucial roles that The Chamber undertakes through its Governmental Affairs program. The Chamber's Government Affairs program is a direct response to our Chamber's Vision and Mission Statement. Our Government Affairs programs are designed to educate and promote business issues which affect our members with our local, state and federal public officials. The Chamber's Business Agenda developed each year identifies the issues that Chamber members, committees and staff will support or oppose during the coming year. These issues include everything from permitting, transportation and regulation to economic issues, energy, education and space. Publishing this agenda keeps the focus on current and emerging issues of vital importance to our business partners. A recent major accomplishment was the creation, certification and incorporation of Business Voice of East Central Florida, Inc., a Committee of Continuous Existence. Business Voice the Chamber's Political Committee, provides the businesses of our region the opportunity to have a stronger and more direct voice in the political process, Business Voice can endorse and financially support candidates as well as recruit, and train potential pro business candidates for future public office.. All of these initiatives speak to the commitment that the Melbourne-Palm Bay Area Chamber of Commerce has to bring an effective voice for business

Infrastructure

Space:

NASA's John F Kennedy Space Center stretches over 139,000 acres on North Merritt Island between the mainland and Cape Canaveral. It is the nation's threshold to space, with some of the world's most advanced space vehicle, payload processing, launch and landing facilities.

Aviation:

Area airports have plenty of capacity to accommodate new development and provide ample opportunity for product testing in temperate conditions. Melbourne International Airport currently has 595 acres available in its industrial park. Corporate tenants include General Electric, Northrop Grumman, Ricoh, Rockwell-Collins, DRS Tactical Systems and L-3 Industries.

This infrastructure helped finalize the recent decision of Brazilian jet-maker Embraer, the third largest aircraft maker in the world, to locate its first U.S. – based assembly plant at Melbourne International Airport in May of last year. Available capacity at almost all of Brevard’s airports underscores the county’s potential to become a hub for aircraft maintenance, repair and overhaul (MRO) operations.

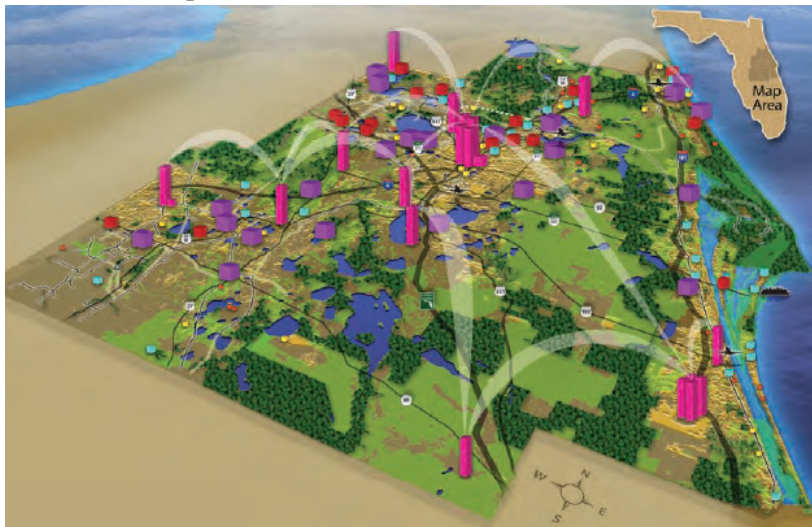
The airport has both domestic and international gates with modern air bridges for loading passengers. There are three runway systems. The main air carrier runway is 10,181 feet long, has touchdown zone and centerline lighting and is capable of handling wide body aircraft, including Boeing -747.

Transport, Shipping & Cruise Ports:

Port Canaveral is the world’s second busiest cruise port (after Miami) and a key business transportation hub. It generates more than 22,000 jobs on the Space Coast while pumping close to \$1.5 billion into the local economy. This deep-water seaport provides ocean cargo service for world importers and exporters and is home to Foreign Trade Zone 136, one of the country’s largest foreign trade zones. During the difficult downturn of 2008, this was the only port in the world to increase its operations by breaking ground for a new oil import facility and one of the few ports with plans for expansion of cruise ships.

Railroad spurs are available to the local industrial community. Henry Flagler’s railroad was built in the 1880’s, allowing the rest of the nation to easily connect with central and southern Florida. The main artery for trucking and auto transportation is Interstate 95 which runs north and south down the length of this community. Other key roads include 192 leading to the doorstep of Walt Disney World just an hour away and the 528 Beachline connecting tourist heavy Orlando with its closest beach – the Space Coast.

The future of our transportation will be directed not only by efforts of the Melbourne-Palm Bay Chamber of Commerce but also the Central Florida Metropolitan Planning Organization Alliance and myregion.com, consisting of seven counties. We resolve to create a regional transportation organization to plan and advocate current and future regional transportation across all five modes including road, rail, water, air and space.



(Courtesy myregion.com)

Utilities:

Drinking water quality is in the forefront of concern in many communities but on the Space Coast it is excellent as the result of quality local utility companies including the Melbourne Public Works & Utilities Department. Our water supply is derived from two independent sources, Lake Washington which is part of the St. Johns River, and the Floridian Aquifer located underground covering some 82,000 square miles. Many of the area's electric lines and communication cables have been recently strengthened and upgraded due to recent storms passing through and testing the abilities of the systems.

Strength, weakness, opportunity and threat (SWOT) analysis

Similar to the rest of the nation, Brevard County currently faces many challenges including a struggling economy and increasing unemployment rate. Brevard County reached 10.7 percent unemployment in June 2009, higher than the national average of 9.5 percent. Augmenting this trend is the plight of the space program. To date, the shuttle is scheduled to fly its last mission in 2010 and the next manned spacecraft named the Constellation has a target launch date of 2015.

Despite these challenges and potential threats, Brevard County's core strengths, including its strong tech base, solid foundation of education, robust infrastructure and healthy tourism industry, will facilitate both a recovery in the short-term and growth in the long-term.

Sources: Economic Development Commission of Florida's Space Coast, MyRegion.org , Florida Today Newspaper, Discover Brevard Magazine, Brevard County Natural Resources Management, Brevard Public Schools and Melbourne International Airport.