



**BOARD OF COUNTY COMMISSIONERS**

**DATE:** May 6, 2014  
**AGENDA ITEM NO.** 2

**Consent Agenda** ☐

**Regular Agenda** ☐

**Public Hearing** ☒

**County Administrator's Signature** 

**Subject:**

Proposed Ordinance Amending the Tourist Development Plan and Adoption of Proposed Capital Funding Guidelines.

**Department:**

County Administrator

**Staff Member Responsible:**

Joe Lauro, Interim Assistant County Administrator

**Recommended Action:**

I RECOMMEND THE BOARD OF COUNTY COMMISSIONERS (BOARD) RECEIVE PUBLIC COMMENT AT THE PUBLIC HEARING AND ADOPT THE PROPOSED ORDINANCE AMENDING PINELLAS COUNTY CODE SECTION 118-32(a)(1)(e) AND FURTHER ADOPT THE ACCOMPANYING PROPOSED CAPITAL FUNDING GUIDELINES AS REQUIRED BY THE TOURIST DEVELOPMENT PLAN.

**Summary Explanation/Background:**

The Board previously adopted the Tourist Development Plan (Plan) as recommended by the Pinellas County Tourist Development Council (TDC). The current Plan, at Section 118-32(a)(1)(e) provides, in part, a maximum of up to \$1,000,000.00 for capital projects with a \$2:\$1 match requirement and an annual cap of no more than \$500,000.00 to a single eligible facility. The current Plan further provides that guidelines to determine eligibility for funding would be approved by the Board.

The TDC and the Board, at their joint meeting of April 1, 2014, recommended amendments to the Plan as follows:

1. Increasing the maximum amount of available annual funding from not more than \$1,000,000.00 annually to a new up-to-maximum of \$4,500,000.00 or 3/4 of 1% of the bed tax, whichever is greater;
2. Amending the \$2:\$1 match requirement to \$1:\$1;
3. Removing the up to \$500,000.00 annual cap for a single eligible facility; and
4. Adding aquariums as eligible facilities under the Plan in accordance with recent statutory amendment.

If the Board approves all of the above amendments to the Plan, it is further recommended the Board adopt the attached proposed Capital Funding Guidelines, as required under the Plan, which were previously reviewed by both the TDC and the Board at their joint April 1, 2014 meeting.

**Fiscal Impact/Cost/Revenue Summary:**

Funding to support this program is provided through the Convention and Visitors Bureau Annual Operating Budget. The source of funding is the Tourist Development Tax.

**Exhibits/Attachments Attached:**

Redline and Final Copy of the Proposed Ordinance Amendment  
Proposed Capital Funding Guidelines

ORDINANCE NO. 14-\_\_\_\_\_

AN ORDINANCE OF THE COUNTY OF PINELLAS AMENDING SECTION 118-32(a)(1)(e) OF THE PINELLAS COUNTY CODE RELATING TO THE TOURIST DEVELOPMENT PLAN INCLUDING PROVIDING FOR INCREASING THE PLAN'S MAXIMUM BUDGETED FUNDING AMOUNT FOR TOURIST DEVELOPMENT PLAN CATEGORY E CAPITAL FUNDING PROJECTS; PROVIDING FOR AMENDING THE MATCHING FUNDS REQUIREMENT; PROVIDING FOR ADDING AQUARIUMS AS AN ELIGIBLE CAPITAL FUNDING PROJECT; PROVIDING FOR REMOVING THE EXISTING ANNUAL CAPITAL PROJECT FUNDING CAP; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR FILING; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Pinellas County Board of County Commissioners ("Board") previously approved Pinellas County's Tourist Development Plan (the "Plan") as recommended by the Pinellas County Tourist Development Council ("TDC"); and

WHEREAS, the TDC has recommended amendments to the Plan as set forth herein; and

WHEREAS, the Board hereby approves this amendment to the Plan by at least a majority plus one vote, as required by Section 118-32(c), Pinellas County Code and Section 125.0104(4)(d), Florida Statutes.

NOW, THEREFORE BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF PINELLAS COUNTY, FLORIDA, in a meeting duly assembled this \_\_\_\_\_ day of \_\_\_\_\_, 2014, as follows:

SECTION 1. Section 118-32(a)(1)(e) of the Pinellas County Code is hereby amended to read as follows:

Sec. 118-32. Use of revenues; tourist development plan.

e. Category E: Funding of not more than up to a maximum of \$4,500,000.00 or 3/4 of 1% of the bed tax, whichever is greater, \$1,000,000.00 annually as matching funds (applicants must have at least ~~\$2.00~~ \$1.00 for every \$1.00 of Category E tourist tax funding) to acquire, construct, extend, enlarge, remodel, repair, improve, or maintain one or more publicly owned and operated convention centers, coliseums, auditoriums, aquariums or museums that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public, and sports and recreation facilities that are not eligible for Category H funding (the enumerated facilities are together hereinafter referred to as "Eligible Facilities"). To be eligible for funding, Eligible Facilities must be located within Pinellas County and demonstrate the ability to attract tourists from the State of Florida, nationally or internationally. ~~No more than \$500,000.00 may be allocated annually to a single Eligible Facility, and the~~ The funding shall be allocated in a geographically equitable manner to attract tourists throughout all of Pinellas County. Funding guidelines shall be established by the tourist development council, which shall be subject to

approval by the board of county commissioners, to determine eligibility, the application process, and award criteria and priorities for Category E funding. These purposes may be implemented through service contracts and leases with parties with sufficient expertise or financial capabilities to operate such Eligible Facilities.

#### SECTION 2. Severability.

If any section, subsection, sentence, clause, phrase, or provision of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such holding shall not be construed to render the remaining provisions of this Ordinance invalid or unconstitutional.

#### SECTION 3. Inclusion in the Pinellas County Code.

The provisions of this Ordinance shall be included and incorporated in the Pinellas County Code, as an addition or amendment thereto, and shall be appropriately renumbered to conform to the uniform numbering system of the Pinellas County Code.

#### SECTION 4. Amendment of Proposed Ordinance at Public Hearing.

Any section, subsection, sentence, clause, phrase, or provision of this Ordinance as proposed be amended, added, or deleted by majority vote of the Board of County Commissioners as a result of matters raised at the public hearing or in consultation with responsible authorities, and in such event, the amendments, additions or deletions shall be validly adopted without additional advertisement or hearing.

#### SECTION 5. Filing of Ordinance; Effective Date.

Pursuant to Section 125.66, Florida Statutes, a certified copy of this Ordinance shall be filed with the Department of State by the Clerk of the Board of County Commissioners within ten (10) days after the enactment by the Board of County Commissioners. This Ordinance shall become effective upon filing of the Ordinance with the Department of State. Additionally, pursuant to Section 125.0104(3)(1), Florida Statutes, a certified copy of this Ordinance, which in part extends the fourth percent levy, shall be furnished to the Department of Revenue by the Clerk of the Board of County Commissioners within ten (10) days after the enactment of the Board of County Commissioners.

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and award criteria and priorities for Category E funding. These purposes may be implemented through service contracts and leases with parties with sufficient expertise or financial capabilities to operate such Eligible Facilities.

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APPROVED AS TO FORM

By: M Zas  
Office of the County Attorney

## **CAPITAL PROJECTS FUNDING PROGRAM GUIDELINES**

### **I. Background**

Pinellas County currently collects a five percent (5%) Tourist Development Tax ("Bed Tax") on all overnight tourism accommodations in the County. This tax is levied on customers of hotels, motels, condominiums, campgrounds, apartments, and private homes that rent accommodations for less than six (6) months in duration.

The Pinellas County Board of County Commissioners has developed a Tourist Development Plan ("Plan") to guide how these proceeds are spent. The current Plan at Section 118-32(a)(1)(e), Pinellas County Code, authorizes the expenditure of up to a maximum of \$4.5 million (or 3/4 of 1% of the bed tax, whichever is greater) annually as matching funds for certain eligible capital projects. Applicants must have at least \$1.00 for every \$1.00 of Category E tourist tax funding. The funding should be allocated in a geographically equitable manner to attract tourists throughout all of Pinellas County. Funding guidelines shall be established by the Tourist Development Council ("TDC"), which shall be subject to approval by the Board of County Commissioners, to establish criteria to determine eligibility and define the application process, award criteria, and priorities for Category E funding. These purposes may be implemented through service contracts and leases with parties with sufficient expertise or financial capabilities to operate such eligible facilities.

The Pinellas County Tourist Development Council ("TDC") was established to make recommendations on how best to spend Bed Tax proceeds, including proposing an annual budget and funding for marketing and promotion activities related to special events, and funding for capital projects. One of the funding programs operated by Visit St. Petersburg/Clearwater ("VSPC") is the Capital Projects funding program for eligible capital projects meeting the criteria to receive funding from VSPC. Beginning with FY 14/15, projects that are eligible for funding will be evaluated and ranked as provided in these Guidelines. Available funding will be determined annually as approved in the VSPC budget by the Board of County Commissioners. Projects that were not eligible for funding or did not apply for funding will not be funded on an ad hoc basis during the budget year, unless otherwise authorized in the Plan and approved budget.

Prior to the application process each year, VSPC will hold a public information session to inform interested applicants of the program and provide detailed information, guidelines, and application forms, and respond to any questions. The informational meeting and the program will also be promoted through press releases, VSPC's electronic newsletter, and other communication tools available through resources at Pinellas County.

These guidelines are hereby established to help prioritize and process requests for bed tax funds to be used for capital projects.

## II. Definitions

In the context of the Capital Projects Funding Program Guidelines, the following definitions apply:

A. **“Capital Project”** shall mean to acquire, construct, extend, enlarge, remodel, repair or improve: i) one or more publicly owned and operated convention centers, coliseums, auditoriums, or sports and recreation facilities that are not eligible for Category H funding (the enumerated facilities are together hereinafter referred to as “Eligible Facilities”); and ii) aquariums or museums that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public\*. To be eligible for funding, Eligible Facilities must be located within Pinellas County and demonstrate the ability to attract tourists from the State of Florida, nationally or internationally, and be included in the Tourist Development Plan.

B. **“Eligible Applicant”** shall mean and include the following:

1. a public entity located in Pinellas County;
2. an organization that operates a publicly owned facility in Pinellas County through a service contract or lease whose use of the facility is eligible for funding;
3. a non-profit entity open to the public that owns and operates a museum or aquarium open to the public.

C. **“Matching Funding”** shall mean and include the following:

1. cash funds;
2. in-kind contributions to the project/facilities, such as the just market value of existing land and improvements as determined by the Property Appraiser or by an independent appraisal;
3. costs of infrastructure improvements to real property;
4. equipment.

## III. Eligibility

A. Project funds may be used to acquire, construct, extend, enlarge, remodel, repair, improve, operate or promote certain facilities as authorized in Section 125.0104, Florida Statutes, including publicly owned and operated convention centers, sports stadiums, sports arenas, coliseums, auditoriums, and aquariums or museums that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public.\* To be eligible for funding, eligible facilities must be located within Pinellas County and demonstrate the ability to attract tourists from the State of Florida, nationally or internationally.

B. Applicants must provide matching funding as defined above in a minimum ratio of two dollars matching funds to one dollar grant funds (1:1).

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\* Note: Aquariums are not currently eligible under the Tourist Development Plan and a Plan amendment would be required to allow Aquariums to be an Eligible Facility under the Plan.

C. Applicants must demonstrate through a feasibility study and business plan as required herein how the project(s) will enhance Pinellas County as a tourist destination and a project must have as one of its main purposes a tourist-related component evidenced by the promotion of the activity, service, venue, or event thereby generating hotel and motel (lodging) "bed nights" as required by the Local Option Tourist Development Act (as outlined in Florida Statutes Section 125.0104).

D. Project timelines may not exceed three (3) years from execution of grant funding award agreement with the County.

E. For leased property, the following will govern the project scope and the lease period required:

Project Scope	Minimum Number of Remaining Years on Lease Period at Time of Application
Equipment, capital fixtures (excluding office furniture)	10 years
Building renovation, improvement	20 years
Building expansion	30 years
Building construction on leased land	50 years

#### **IV. Funding Standards**

A. Applicants receiving capital project funding will be required to sign a funding agreement that has been prepared by the County Attorney's Office.

B. All funding requests provided hereunder shall be on a reimbursement basis to the Applicant after completion of the project or a phase of the project and upon submittal and review of supporting documentation by County staff, as agreed upon in the agreement.

#### **V. Application Deadline**

All applications must be fully and timely completed, and the application together with supporting documentation as required herein must be submitted by one of the following methods: electronically online to the CVB@\_\_\_\_\_ ; or submitted in person at CVB office located at: \_\_\_\_\_ ; or mailed to CVB office located at: \_\_\_\_\_ on or before \_\_\_\_\_.

**DEADLINES ARE STRICTLY ENFORCED. A DATED POSTMARK WILL NOT BE ACCEPTED AS ACTUAL RECEIPT OF APPLICATION.** Late or partial applications cannot be accepted without specific action by the Pinellas County Board of County Commissioners.

#### **VI. Required Documentation**

**FAILURE TO PROVIDE ALL OF THE FOLLOWING ITEMS (including the Application) WILL DISQUALIFY THE APPLICATION/FUNDING REQUEST.**

A. A TIMELY, FULLY COMPLETED, TYPED, SIGNED APPLICATION. "Not Applicable" or "N/A" should be marked for any questions deemed inapplicable to the application.

B. A feasibility and economic impact analysis/study by a firm approved by Pinellas County completed no earlier than six (6) months from application date.

C. A business plan, including financial stability of Applicant.

D. Completed preliminary drawings or completed architectural plans.

E. Certification that project is shovel-ready, including explanation and documentation of secured property interest, design, permitting, and construction status.

F. An explanation of how the funds will be utilized, including amount requested, total project budget, itemized budget, and documentation of existing bank accounts.

G. Demonstration/Analysis of how the project will generate hotel and motel (lodging) bed nights.

H. Match funds must be detailed: any in-kind match must be identified and may not exceed 50% of the total projected cost; matching funds derived from *projected earned income* are not allowable for consideration. The amount and source of *all funds* for the proposed project must be disclosed at the time of application. Pinellas County heavily discourages applicants from including projected amounts and/or anticipated revenue from fundraising or other activities. Only funds identified as "on hand" at the time of application will count towards the required match.

## **VII. Evaluation Process**

A. Each application will be initially reviewed by the VSPC staff to ensure compliance with the guideline requirements herein, with assistance by the County Attorney's Office as needed.

B. Prior to the meeting referred to in subsection C herein, each application will be individually reviewed and scored by members of the Capital Projects Funding Committee ("Committee") and the VSPC Director or designee, based on the rating scale shown later in these Guidelines.

C. The Committee and staff will hold a meeting to announce the score of all applications. All Applicant projects that score at least 700 points will be considered for funding within the TDC's recommended budget and in accordance with these Guidelines.

D. Staff will then announce the total points and the average score for each application and then provide a ranking of highest to lowest scoring applicants.

E. Applicants may be invited to make a presentation to the Committee if requested.

F. After review of all applications, public comment will be requested.

G. Committee members will then complete a final review of all qualifying applications and have an opportunity to adjust scores based on any new information.

H. Any score changes will be recorded and a new average score announced if scores were revised.

I. Members of the Committee will begin with the highest scoring applications and determine recommended funding amounts for each application.

J. If necessary, a second meeting may be called to make the funding determinations for each application.

### **VIII. Rating Criteria**

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|--|------------|
| A. Sufficiency of feasibility study and economic impact analysis provided by independent approved vendor, which shall at a minimum include the following:  | 150 points |
| <ul style="list-style-type: none"><li>• Profit &amp; Loss Analysis, including:<ul style="list-style-type: none"><li>▪ Financial Forecast for a 10-year period</li><li>▪ Debt Service</li><li>▪ Operational Costs</li><li>▪ Amortization</li><li>▪ Facility Expenses, including: General and Administrative Expenses and Staffing Expenses</li><li>▪ Miscellaneous Costs</li><li>▪ Projected Events</li><li>▪ Projected Marketing</li></ul></li><li>• Total economic impact</li><li>• Total number of visitors</li><li>• Market analysis to include demographics of attendees, analysis of competition/provider sites</li><li>• Flexibility of uses of the project/facility</li><li>• Increases in governmental revenues through taxes and fees generated by the project.</li></ul> |            |
| B. Sufficiency of business plan, including capacity and financial stability of applicant(s)  | 150 points |
| C. Does not duplicate existing community facilities  | 100 points |
| D. Number of projected hotel room nights generated annually within the boundaries of Pinellas County   | 300 points |
| E. Contribution to Pinellas County's reputation as an attractive destination for tourists  | 100 points |
| F. Appropriate documentation of all funding sources (e.g., cash match and other in-kind)   | 25 points  |
| G. Projects that are shovel ready (already designed and permitted, including that the applicant has received all governmental and/or regulatory permits)   | 25 points  |

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|---|------------|
| H. Projects that achieve geographic distribution of Capital Project Funding Program dollars across Pinellas County  | 50 points  |
| I. Projects that demonstrate substantial funding commitment to out-of-market advertising and promotion of Pinellas County with the intent of attracting overnight visitors to hotel(s) within Pinellas County | 100 points |

All those rating the applications will base their scores for each of the items in the rating scale as follows:

0%	unresponsive to the requirements of the item being rated
10% - 30%	does not meet current requirements of the item being rated
40% - 60%	partially meets requirements of the item being rated
70% - 90%	fully responsive to the requirements of the item being rated
100%	exceeds all requirements of the item being rated

Note: All applications receiving an average score of 700 points or above out of the maximum 1000 points will be considered eligible for funding consideration. A score of 700 points or higher does not guarantee funding.

#### **IX. Timeframe for Capital Project Funding Awards**

The TDC will annually establish a schedule for consideration and award of funding grants, which will generally comply with the following timeframes\*:

August/September	Notification and Public Information Sessions/applications available
October	Deadline for receipt of applications
November/December	Legal, Staff and Committee review of applications
December/January	Initial Capital Project Funding Committee meeting
January/February	2 <sup>nd</sup> Committee Meeting to Determine Funding (if necessary)
February/March	TDC reviews and considers the Committee report
March/April	Board of County Commissioners' final approval of funding awards
TBD	Capital Project Funding Agreement executed

***\*Note: The TDC maintains discretion to consider and ultimately request BCC consideration and approval of otherwise eligible Capital Funding Project requests sought outside the timeframes herein contingent upon availability of funds.***

## **X. Funding Procedures**

Capital Project Funding recipients will be reimbursed for eligible expenditures as authorized by the Funding Agreement. Recipients should submit original invoices to VSPC. Payments will only be made as reimbursements to applicant, not directly to third parties. Capital Project funds approved and allocated hereunder shall not be expended or disbursed in lump-sum form.

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