



**BOARD OF COUNTY COMMISSIONERS**

**DATE:** May 19, 2015

**AGENDA ITEM NO.** 25

**Consent Agenda** ☐

**Regular Agenda** ☐

**Public Hearing** ☒

 **County Administrator's Signature:**

**Subject:**

Public Hearing for a Proposed Ordinance Amending Pinellas County Code Section 118-32 Relating to the Tourist Development Plan.

**Department:**

Convention and Visitors Bureau

**Staff Member Responsible:**

David Downing, Director

**Recommended Action:**

I RECOMMEND THE BOARD OF COUNTY COMMISSIONERS (BOARD) RECEIVE PUBLIC COMMENT AT THE PUBLIC HEARING TO ADOPT THE PROPOSED ORDINANCE AMENDING PINELLAS COUNTY CODE SECTION 118-32 RELATING TO THE TOURIST DEVELOPMENT PLAN AUTHORIZING THE EXPENDITURE OF TOURIST DEVELOPMENT TAXES.

**Summary Explanation/Background:**

The proposed ordinance amends the Pinellas County Code (Code) Section 118-34(b) regarding the expenditure of Tourist Development Taxes. The Code directs the Tourist Development Council (TDC) to review the Tourist Development Plan (Plan) at least every five years and make recommendations for revisions to the Board.

On December 16, 2014, the Board rejected a proposed ordinance amending the Plan and directed staff to develop and propose a simpler, more flexible Plan for consideration. The new Plan was presented and discussed at the Joint Board/TDC meeting held on March 18, 2015. Subject to the addition of some TDC member comments, the Plan, as set forth below, was approved by the TDC.

On April 15, 2015, the TDC reviewed and approved the final version of the proposed Plan and has recommended moving it forward to the Board for and adoption. Amendment of the Plan requires an affirmative vote of a majority plus one vote.

The proposed ordinance simplifies the Tourist Development Plan in the following ways:

- Reduces the number of existing categories from 8 to 5 by putting allowable uses into fewer sub-categories, as well as moving some of the existing commitments/uses of funds into a different section of the plan.
- Eliminates some funding restrictions previously included in the categories.
- Sets forth the allocation of Tourist Development Tax dollars in Section 2 and allows for flexibility of those uses.
- Consolidates existing pledges and/or commitments into a separate subsection of the Plan instead of listing them within individual categories, as the existing Plan does.

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

None

**Exhibits/Attachments Attached:**

Redline Version of the Proposed Ordinance Amendment  
Final Version of the Proposed Ordinance Amendment

CURRENT TD PLAN  
REDLINE w/ Proposed Changes

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

(a) ~~Tourist Development Plan. development plan.~~ The tax revenues received pursuant to this article ~~shall shall~~ be used to fund the ~~Pinellas County county~~ tourist development plan——  
~~to strengthen the county's local economy and increase employment by investing the total receipts of the tourist development tax into a tourist development trust fund. The tourist development plan is hereby adopted as follows; however, the Board may, by a majority-plus-one vote, authorize other allocations in accordance with statutory uses in instances when the Board of County Commissioners or the Governor of the State of Florida has declared a state of emergency.~~

(1) ~~——(1)——~~ Categories of ~~use~~allowable uses of tax revenues:

a. ~~——~~Category A ~~(Promotions, Advertising/Marketing):~~ Promoting and advertising tourism in the state, nationally and internationally, and funding of not more than a total of \$2 million annually for provided that any activity, service, venue, or event that receives tourist tax revenues has as one of its main purposes the attraction of tourists as evidenced by the promotion of the activity, service, venue, or event to tourists.

a. ~~——b.——~~Category B: ~~Funding not more than \$2,000,000.00 annually for: the following:~~ (i) marketing or sponsorship of elite special events and programs; (ii) providing promotional or operating support for exhibits or programs provided by museums owned and operated by not-for-profit organizations and open to the public; (iii) providing promotional support for zoological parks that are owned and operated by not-for-profit organizations and open to the public; ~~and (iv) event and program sponsorships.~~ Grant 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 subsection (i), (ii), and (iii) funding herein.

b. ~~e.~~Category ~~CB (CVB, Promotions, Advertising/Marketing):~~ Funding the St. Petersburg/Clearwater Convention & Visitors Bureau, ~~including, but not limited to, funding public relations and news activities, internet marketing programs, promoting the county as a tourist destination at conventions, trade associations, exhibitions, or other tourist-related activities and events, promoting leisure and convention travel, providing education, training, and support services, funding the activities of the Pinellas County Sports Commission and the Pinellas County Film Commission, and;~~ funding budget reserves as authorized by law; as well as and funding convention bureaus, tourist bureaus, tourist information centers and news bureaus by contract with the chambers of commerce or similar associations in Pinellas County~~the county~~.

c. ~~d.~~Category ~~DC (Beach Improvement/Nourishment):~~ Funding beach improvement, maintenance, renourishment, restoration and erosion control.



- d. ~~—e.—~~ Category E: Category D (Capital Funding/Debt Service Other): 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,~~ annually as matching funds (applicants must have at least \$1.00 for every \$1.00 of Category ~~ED~~ tourist tax funding) to acquire, construct, extend, enlarge, remodel, repair, improve, ~~or maintain,~~ or provide debt service on one or more publicly owned and operated convention centers, coliseums, or auditoriums; as well as 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 HE funding (the enumerated facilities are together below (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. ~~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.

~~—f.—~~ Category F: Payment of debt service on bonds issued by the City of St. Petersburg to finance the construction, reconstruction, or renovation of Tropicana Field, a professional sports franchise facility, or payment of indebtedness issued to refund obligations issued for such purposes, through September 30, 2015.

~~—g.—~~ Category G: Payment of debt service on bonds issued by the City of Clearwater to finance the construction, reconstruction, or renovation of a retained spring training franchise facility through February 15, 2021; and on bonds issued by the City of Dunedin to finance the construction, reconstruction, or renovation of a retained spring training franchise facility through February 15, 2016.

- e. ~~—h.—~~ Category H: Category E (Debt Service/Professional Sports and Convention Center Capital Costs): Funding ~~not more than 80% of the fourth percent in any twelve (12) month period for debt service payments on any facility in subsections (i), (ii) or (iii) herein, and not more than 90% of the fourth percent in any twelve (12) month period for debt service payments for all facilities authorized in subsections (i), (ii) or (iii) herein,~~ for bonds issued to finance the: ~~(i) construction, reconstruction, or renovation of any of the following facilities: (1) a professional sports franchise facility located within Pinellas County either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds; (ii) construction, reconstruction, or renovation of a retained spring training facility located within Pinellas County either publicly owned and~~

operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds; or (iii) ~~construction, reconstruction, or renovation of~~ a convention center located within Pinellas County, and to pay the planning and design costs prior to the issuance of such bonds.

~~(2) (2) The five percent tourist tax shall be allocated as set forth below, in accordance with funding commitments and the annual budget approved by the board of county commissioners:~~

~~a. a. The first, second, and first 50% of the third percent tourist tax may be used for Category A, B, C, D, E and G uses, subject to the pledge of the first percent and first 50 percent of the third percent as described in Section 118-31 (a)(1) and (2).~~

~~b. The second 50% of the third percent tourist tax shall be used exclusively for Category D uses.~~

~~b. c. The fourth percent tourist tax shall be used exclusively for Category F uses through September 30, 2015. Commencing on October 1, 2015, the fourth percent tourist tax may be used for Category G uses through the dates of the retirement of the debt service obligations set out in subsection (1)g. above or September 30, 2021, whichever occurs first, Category H uses through September 30, 2021, if a commitment to funding debt service on bonds and/or planning and design costs for a Category H facility is approved by the board of county commissioners, and Category A uses for all fourth percent tourist taxes not applied to Category G and H uses as authorized in this subsection (2)c. and the tourist development plan.~~

~~e. d. The fifth percent tourist tax shall be used exclusively for Category A uses.~~

~~e. In addition to the uses authorized in subsections (2)a. through d. herein, any legally available tourist taxes may be used for special major events that arise from time to time which generate significant tourist room nights in Pinellas County, including professional sports championships and political conventions.~~

~~f. In addition to the uses authorized in sections (2)a. through d. herein, any legally available tourist taxes may be used for Category C budget reserves as authorized by law. The annual budgeted reserve for contingencies shall not be less than five percent of the total fund budget, unless otherwise approved by resolution of the board of county commissioners, and it shall be a priority to annually fund the reserve for contingencies at seven and one-half (7.5%) percent of the total fund budget by the 2012/2013 fiscal year.~~

(2) The five percent tourist tax shall be allocated as follows:

a.



- i. The first percent shall be used as follows:
    - 1. Up to 75% for Category D;
    - 2. Minimum of 25% for Categories A and/or B
  - ii. The second percent shall be used for Categories A and/or B
  - iii. The third percent shall be used as follows:
    - 1. 50% to Category C;
    - 2. 50% to Categories A and/or B.
  - iv. The fourth percent shall be used as follows:
    - 1. Up to 75% for Category E;
    - 2. Minimum of 25% for Category A.
  - v. The fifth percent shall be used for Category A.
- b. Any funds not used for the purposes designated in subsection (2)(a)(1-5), above, may be allocated to Category A.

(2) Notwithstanding the allocations in (2) above, there currently exists ongoing financial commitments which, until such time as satisfied and no longer outstanding, shall be funded as follows:

- a. Payment of debt service on bonds issued by the City of St. Petersburg to finance the construction, reconstruction or renovation of Tropicana Field, which shall be paid out of the fourth percent tourist development tax through September 30, 2015, at which time the obligation will be fully satisfied, and the fourth percent may then be used as otherwise provided for in the tourist development plan.
- b. Payment of debt service on bonds issued by the City of Dunedin to finance the construction, reconstruction or renovation of a retained spring training facility, which shall be paid as necessary out of the fifth percent tourist development tax through February 15, 2016, at which time this obligation will be fully satisfied, and the fifth percent may then be used as otherwise provided for in the tourist development plan.
- c. Payment of capital project funds for the Dali Museum which shall be paid out of the second percent tourist development tax in equal quarterly installments of \$125,000 commencing on October 15, 2015 and continuing through July 15, 2020, at which time this obligation will be fully satisfied, and the second percent may then be used as otherwise provided for in the tourist development plan.
- d. Payment of debt service on bonds issued by the City of Clearwater to finance the construction, reconstruction or renovation of a retained spring training facility, which shall be paid out of the fifth percent tourist development tax through February 15, 2021, at which time this obligation will be fully satisfied, and the fifth percent may then be used as otherwise provided for in the tourist development plan.

ORDINANCE NO. 15-\_\_\_\_

AN ORDINANCE OF THE COUNTY OF PINELLAS AMENDING SECTION 118-32 OF THE PINELLAS COUNTY CODE RELATING TO THE TOURIST DEVELOPMENT PLAN INCLUDING PROVIDING FOR BOTH CATEGORIES OF THE ALLOWABLE USES OF TAX REVENUES AND ALLOCATION OF THOSE REVENUES; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, in accordance with Florida Statutes, Section 125.0104, the Board of County Commissioners ("Board"), has previously adopted a Tourist Development Plan governing the use and allocation of tourist tax revenues; and

WHEREAS, given the changing needs of the tourism industry, the Plan has been amended over the years in response thereto; and

WHEREAS, the Board has requested the Tourist Development Council ("Council") reassess the current Tourist Development Plan and develop for the Board's review and approval a simpler, more flexible Tourist Development Plan; and

WHEREAS, the Council has prepared and approved for the Board's consideration a simpler, more flexible proposed Tourist Development Plan which would govern the use and allocation of tourist tax dollar revenues while simultaneously recognizing existing financial pledges and/or commitments of those tourist tax revenues; and

WHEREAS, the Board's approval and adoption of this amended Tourist Development Plan would require a majority plus one vote, as required by 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 \_\_\_\_\_, 2015, as follows:

Section 1. Section 118-32 of the Pinellas County Code is hereby amended to provide as follows:

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

- (a) *Tourist development plan.* The tax revenues received pursuant to this article shall be used to fund the Pinellas County tourist development plan hereby adopted as follows; however, the Board may, by a majority-plus-one vote, authorize other allocations in accordance with statutory uses in instances when the Board of County Commissioners or the Governor of the State of Florida has declared a state of emergency.

(1) Categories of allowable uses of tax revenues:

- a. **Category A (Promotions, Advertising/Marketing):** Promoting and advertising tourism in the state, nationally and internationally, and funding of not more than a total of \$2 million annually for the following: (i) marketing or sponsorship of elite events and programs; (ii) providing promotional or operating support for exhibits or programs provided by museums owned and operated by not-for-profit organizations and open to the public; and (iii) providing promotional support for zoological parks that are owned and operated by not-for-profit organizations and open to the public. Grant 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 subsection (i), (ii), and (iii) funding herein.
- b. **Category B (CVB, Promotions, Advertising/Marketing):** Funding the St. Petersburg/Clearwater Convention & Visitors Bureau; funding budget reserves as authorized by law; and funding convention bureaus, tourist bureaus, tourist information centers and news bureaus by contract with the chambers of commerce or similar associations in Pinellas County.
- c. **Category C (Beach Improvement/Nourishment):** Funding beach improvement, maintenance, renourishment, restoration and erosion control.
- d. **Category D (Capital Funding/Debt Service Other):** Funding annually as matching funds (applicants must have at least \$1.00 for every \$1.00 of Category D tourist tax funding) to acquire, construct, extend, enlarge, remodel, repair, improve, maintain, or provide debt service on one or more publicly owned and operated convention centers, coliseums, or auditoriums as well as 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 not eligible for Category E funding below (hereinafter referred to as "Eligible Facilities"). Eligible Facilities must be located within Pinellas County and demonstrate the ability to attract tourists from the State of Florida, nationally or internationally. 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 funding. These purposes may be implemented through service contracts and leases with parties with sufficient expertise or financial capabilities to operate such Eligible Facilities.
- e. **Category E (Debt Service/Professional Sports and Convention Center Capital Costs):** Funding for debt service payments for bonds issued to finance the construction, reconstruction, or renovation of any of the following facilities: (i) a professional sports franchise facility located within Pinellas County either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds; (ii) a retained spring training facility located within Pinellas County either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds; or (iii) a



convention center located within Pinellas County, and to pay the planning and design costs prior to the issuance of such bonds.

(2) The five percent tourist tax shall be allocated as follows:

a.

i. The first percent shall be used as follows:

1. Up to 75% for Category D;
2. Minimum of 25% for Categories A and/or B

ii. The second percent shall be used for Categories A and/or B

iii. The third percent shall be used as follows:

1. 50% to Category C;
2. 50% to Categories A and/or B.

iv. The fourth percent shall be used as follows:

1. Up to 75% for Category E;
2. Minimum of 25% for Category A.

v. The fifth percent shall be used for Category A.

b. Any funds not used for the purposes designated in subsection (2)(a)(1–5), above, may be allocated to Category A.

(3) Notwithstanding the allocations in (2) above, there currently exist ongoing financial commitments which, until such time as satisfied and no longer outstanding, shall be funded as follows:

- a. Payment of debt service on bonds issued by the City of St. Petersburg to finance the construction, reconstruction or renovation of Tropicana Field, which shall be paid out of the fourth percent tourist development tax through September 30, 2015, at which time the obligation will be fully satisfied, and the fourth percent may then be used as otherwise provided for in the tourist development plan.
- b. Payment of debt service on bonds issued by the City of Dunedin to finance the construction, reconstruction or renovation of a retained spring training facility, which shall be paid as necessary out of the fifth percent tourist development tax through February 15, 2016, at which time this obligation will be fully satisfied, and the fifth percent may then be used as otherwise provided for in the tourist development plan.
- c. Payment of capital project funds for the Dali Museum which shall be paid out of the second percent tourist development tax in equal quarterly installments of \$125,000 commencing on October 15, 2015 and continuing through July 15, 2020, at which time this obligation will be fully satisfied, and the second percent may then be used as otherwise provided for in the tourist development plan.
- d. Payment of debt service on bonds issued by the City of Clearwater to finance the construction, reconstruction or renovation of a retained spring training facility, which shall be paid out of the fifth percent tourist development tax through February 15, 2021, at which time this obligation will be fully satisfied, and the fifth percent may then be used as otherwise provided for in the tourist development plan.

(b) *Review of the plan.* The tourist development council shall review the tourist development plan at least every five (5) years and forward its recommendations for revisions, if any, to the plan to the board of county commissioners for consideration. The board of county commissioners shall review the tourist development plan recommendations and determine the most effective use of the revenues derived from the tax.

(c) *Amendment of the Plan.* The tourist development plan provided for in this section may not be amended except by ordinance enacted by an affirmative vote of a majority plus one additional member of the board of county commissioners.

**SECTION 3. 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 4. 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 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)(l), 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.

**APPROVED AS TO FORM  
OFFICE OF COUNTY ATTORNEY**

**By**

  
**Attorney**