

## **I. Background**

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Pinellas County currently collects a six percent (6%) 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 (BCC) has developed a Tourist Development Plan ("Plan") to guide how these proceeds are spent.

These funding guidelines have been established by the Tourist Development Council ("TDC"), and approved by the BCC as part of its Capital Project Funding Program ("CPFP"), solely related to Category D funding under the Plan. The CPFP will operate on a two-year funding cycle which will commence as approved by the BCC. Before the TDC initiates a funding cycle, the BCC ~~may~~ will approve and establish a total pool of capital funding dollars available to fund projects for that CPFP funding cycle. These guidelines were developed to establish criteria to determine eligibility and define the application process, award criteria, ~~and~~ priorities, and funding limitations for ~~certain Group 2 tourist facilities as well as the sources and limits of funding available within each category of use~~ Category D projects. These projects may be implemented through service contracts and leases with parties with sufficient expertise or financial capabilities to operate such eligible facilities.

~~Group 2 Capital Funding requests shall be considered in accordance with the following:~~

~~Funding for Category D projects requesting up to \$10 million net present value (NPV) shall be subject to these Guidelines and reviewed and considered in accordance with Sections II through IX herein.~~

~~Group 2~~ Category ~~C, D and E~~ uses are defined in the Plan as follows:

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

~~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.~~

a. 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; aquariums or museums that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public; sports stadium or arenas not eligible for Category E funding

below; publicly owned and operated beach park facilities that are directly associated with or demonstrated to be tourist attractions; and publicly owned and operated public facilities as defined in § 125.0104(5)(a)6 that are directly associated with or demonstrated to be tourist attractions (hereinafter referred to as "eligible facilities").

~~c. Category E (Debt Service/Professional Sports and Convention Center Capital Costs): Funding, which can include 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 either 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.~~

~~Group 2 Capital Funding requests shall be considered in accordance with the following:~~

~~Funding for Category D project requests requesting up to \$10 million net present value (NPV) shall be subject to these guidelines and reviewed and considered in accordance with Sections II through IX herein.~~

~~Group 2 Capital Funding requests shall be considered in accordance with the following:~~

~~Funding for Category C projects shall not be considered or awarded through the CPFP.~~

~~Funding for Category D projects requesting up to \$10 million net present value (NPV) shall be subject to these Guidelines and reviewed and considered in accordance with Sections II through IX herein.~~

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~~2. Funding for Category D projects requesting more than \$10 million NPV, or that request funding that exceeds the total pool of available capital funding dollars established by the BCC for that funding cycle, or that cannot satisfy all the eligibility requirements herein but will provide significant Tourism Economic Benefits as defined below, shall be first presented to the BCC for approval to all the applicant to participate in the funding cycle application process. Upon receipt of this conceptual approval, these projects shall be subject to these Guidelines and reviewed and considered in accordance with Sections II through IX herein, as well as any other requirements established by the BCC in accordance with the review and approval process.~~

~~2.1. —Funding for Category E projects shall not be considered or awarded through the CPFP, as these types of project requests shall be first presented to the BCC for consideration and conceptual approval. At the time of the conceptual approval, the BCC shall determine the criteria and applicant submittals and reviews required for Category E funding which may include all the documents required under the guidelines as well as other documents staff deems necessary to evaluate the project. Additionally, the BCC may in its sole discretion at the time of the conceptual approval identify a maximum funding amount it will consider. The TDC can provide guidance and recommendations during the review process, including, making a funding recommendation on the project based on the proposed final deal terms which will be subject to later approval by the BCC.~~

Prior to each CPFP application process funding cycle, Visit St. Petersburg/Clearwater ("VSPC") ~~will~~ may ~~post information online or~~ 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~~ Any informational meeting and the program ~~will may also~~ be promoted through press releases, VSPC's electronic newsletter, and other communication tools available through resources at Pinellas County.

These CPFP guidelines are ~~hearby-further~~ established to help prioritize and process requests for capital projects funding. It is the intent of the TDC to recommend funding as provided herein to ~~multiple~~ eligible capital projects ~~as~~ determined to be in the best interest of Pinellas County tourism.

## II. Definitions

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

**"Capital Project"** for purposes herein ~~shall~~ means any construction or improvement project that receives CPFP funding that is listed in Category ~~ies D or E of~~ the Plan in Section 118-32(a)(1) of the Pinellas County Code, and authorized by Section 125.0104, Florida Statutes that provides significant tourism economic benefits as defined in these Guidelines, the funding agreement, and/or as otherwise determined by the BCC.

**"Eligible Applicant"** ~~shall~~ means the owner and/or operator of a Capital Project and includes any of the following:

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

**"Marketing"** means a mutually beneficial business arrangement between the County and applicant wherein County receives opportunities to promote the County as a tourism destination, shall mean including but not limited to including, but not limited to, advertising, direct sales, public relations, promotions, or research, exclusive of professional fees and services, designed to increase tourist-related business activity from outside Pinellas County.

**"Matching Funds"** ~~shall~~ means and include any of the following assets or expenditures by applicant incurred or available after the application but prior to the execution of funding agreement.: ~~date~~

1. ~~Ce~~ash funds;
2. ~~I~~n-kind contributions to the Capital Project;
3. ~~L~~and acquired for the Capital Project at the purchase price, or fair market value if donated;
4. ~~Ce~~osts of infrastructure improvements to real property necessary to complete the Capital Project;
5. Capital Project design and engineering costs;
6. ~~Ce~~apital equipment.

~~"Sponsorship" shall mean a mutually beneficial business arrangement between the County and applicant wherein County receives opportunities to promote the County as a tourism destination.~~

**"Tourism Economic Benefit"** ~~shall~~ means all projected incremental increases in annual measurable returns from the Capital Project generated from Tourists visiting the tourism facility, including but not limited to transient lodging (Tourist room nights) and paid and/or documented attendance, measurable benefits from Marketing ~~and Sponsorships~~ provided by the facility, and other governmental fees and taxes, as determined by the economic impact study referred to in III D.

**"Tourist"** ~~shall~~ means a person who participates in trade or recreational activities outside the County of the person's residence or any person who rents or leases transient accommodations in Pinellas County as described in Section 125.0104(3)(a), Florida Statutes.

### III. Eligibility

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- A. To be eligible for funding, Capital Projects must be located within Pinellas County and demonstrate the ability to attract tourists from the State of Florida, nationally or internationally, and be ~~included authorized by in~~ the County's Tourist Development Plan.
- B. Project funds may be used to acquire, construct, extend, enlarge, remodel, repair, or improve Capital Projects solely to the extent as authorized ~~in~~ by Section 125.0104, Florida Statutes. Project funds are not authorized for engineering or design costs.
- C. Applicants applying for Category D funding must provide Matching Funds as defined above in a minimum ratio of one-dollar matching funds to one-dollar CPFP funds (1:1). The matching funds requirement does not apply to County-owned property or projects.
- D. Applicants must ~~provide demonstrate the incremental economic impacts of the Capital Project through~~ an economic impact study that determines the Tourism Economic Benefits of the proposed Capital Project. The study ~~shall must~~ include a projection of incremental increases in annual Tourist room nights and annual Tourist paid and/or documented attendance, and projected increases in governmental revenues through taxes and fees, to be generated by the Capital Project. The study ~~shall must~~, at a minimum, apply the methodologies, satisfy the requirements, and address the findings specified or required by the County. The County reserves the right to determine compliance with the requirements and/or the validity of the findings, and may request such additional information, data, or analysis as determined necessary to evaluate the incremental Tourism Economic Benefits of the proposed Capital Project. The study ~~shall will~~ be completed at applicant's sole cost and ~~shall be~~ submitted at the time of filing the application.
- E. Capital Projects must be completed and operational within ~~completion timelines may not exceed~~ three (3) years from execution of CPFP funding award agreement with the County, unless a different deadline is agreed to in writing by the parties ~~based on at~~ the County's sole discretion.
- F. Any ~~Capital Project or portion or~~ phase of a capital project scheduled to be started and completed more than 3 years out must be applied for based on each separate "phase" and shall will require a separate CPFP application for each phase during the appropriate funding cycle.
- G. For leased property, the following will govern the Capital Project scope and the lease period required to be eligible for funding:

Project Scope	Minimum Number of Remaining Years on Lease Period at Time of Application
Facility renovation, improvement	20 years
Facility expansion	30 years
Facility construction on leased land	50 years

- H. ~~Applicants must provide future Marketing and/or Sponsorship benefits as defined herein and as valued and approved by, or on behalf of, VSPC in an amount as determined by the BCC. Applicants must provide future Marketing benefits as defined herein and as valued or requested by Visit SPC VisitSPC or as determined by the BCC~~
- I. All applicants must agree to protect the County's capital investment interest resulting from County funding, and further agree to provide those legal protections as allowed by law, and as may be amortized over time, including but not limited to, naming County, at Applicant's sole cost, as an additional insured or loss payee, granting a consensual lien in the Capital Project securing the County's interest, or by any other means as may be applicable as determined appropriate in the sole discretion of the County.
- J. Funding for projects that have been awarded funding in a previous Capital Project Funding cycle, may be eligible to reapply with prior approval from VisitSPC.
- K. Funding requests for "public facilities" or "beach park facilities" must meet additional statutory requirements, as follows:

<b><u>Public Facilities</u></b>	<b><u>Beach Park Facilities</u></b>
<p>a) <u>The TDC must recommend the funding of such project.</u></p> <p>b) <u>The BCC must make a legislative finding that the public facilities are needed to increase tourist-related business activities in the county.</u></p> <p>c) <u>An independent professional analysis, funded by TDT, must demonstrate the positive impact of the "infrastructure project" on tourist-related businesses in the County.</u></p> <p>d) <u>The BCC must approve the project by a vote of 2/3 its membership (5).</u></p> <p>e) <u>At least \$10 million in TDT must have been collected in the prior FY.</u></p> <p>f) <u>No more than 70% of the project can be paid for with TDT, and sources of funding for the remainder must be identified and confirmed by the BCC.</u></p> <p>g) <u>At least 40% of all TDT must be used to promote and advertise tourism.</u></p>	<p>a) <u>No more than 50% of the total TDT can be pledged for bonds related to beach renourishment and beach park facilities.</u></p>

## IV. Funding Standards

A. Applicants must demonstrate that the Capital Project funded through the CPFPP meets the following annual minimum thresholds to be considered for funding:

- ~~1) Capital Projects seeking up to \$5,000,000.00 shall project or maintain a minimum of at least 25,000 paid or documented attendees annually and project or maintain at least 10,000 Tourist room nights annually.~~
- ~~2) Capital Projects seeking more than \$5,000,000.00 shall project or maintain a minimum of at least 50,000 paid or documented attendees annually and project or maintain a minimum of at least 25,000 Tourist room nights annually.~~
- 3) Capital projects (excluding Beach Facilities) seeking funding shall must project an incremental economic impact increase and project must produce a minimum of 25,000 attendees and 10,000 room nights annually.
  - Meeting these numbers does not guarantee funding but allows applicant to be considered.

~~Applicants receiving capital project funding will be required to sign a funding agreement prepared by the County Attorney's Office which they received and reviewed as part of the application process.~~

B. Other than funding for bond debt service, funding requests provided hereunder shall will be on a reimbursement basis to the Applicant after completion and occupancy of the Capital Project upon submittal and review of supporting documentation as required in the funding agreement unless authorized differently by the BCC. Reimbursement payments may be amortized over multiple budget years as determined at the sole discretion of the County. Any request for special payment considerations must be made in the application.

Any funding provided through the CPFPP shall will be limited to approved Capital Project costs/expenditures incurred after the approval of the funding by the BCC date of the execution of the funding agreement, unless a different date is agreed to in the agreement, at the discretion of the County. application filing date.

## V. Application and Program Timeline

A Program timeline, including application procedures and deadline shall will be established by the VisitSPC TDC, publicly noticed and implemented by VSPC VisitSPC staff. 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 Visit-SPC~~ VisitSPC the V-S-P-C @ \_\_\_\_\_; or submitted in person at ~~V-S-P-C Visit~~ SPC VisitSPC office located at: \_\_\_\_\_

\_\_\_\_\_ or mailed to ~~V-S-P-C Visit-SPC~~ VisitSPC office located at: \_\_\_\_\_ on or before \_\_\_\_\_.

**DEAD- LINES ARE STRICTLY ENFORCED. A DATED POSTMARK WILL NOT BE ACCEPTED AS ACTUAL RECEIPT OF APPLICATION.**

Late, incomplete, or partial applications cannot will not be accepted. ~~Without specific action by the Pinellas County Board of County Commissioners.~~

The County may request supplemental information to support an otherwise complete and timely application, and will establish a deadline for the receipt of that additional information.

## VI. Required Documentation

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### FAILURE TO PROVIDE ALL OF THE FOLLOWING ITEMS (including the Application) MAY 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. Explanation and documentation of any security interest in the Capital Project, and the design, permitting, and construction status of the Capital Project.
- C. A Tourism Economic Benefits study/analysis of the proposed Capital Project completed in accordance with the requirements herein.
- D. An explanation of how the funds will be utilized, including amount requested, and itemized Capital Project budget (schedule of values).
- E. Match funding must be detailed including: 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 will not recognize projected amounts and/or anticipated revenue from future fundraising or other activities as Matching Funds; only funds identified as "on hand" at the time of the execution of the funding agreement ~~at the time of commencement of the Capital Project Construction~~ will count towards the required match and failure to provide verified proof of same may result in a loss of funding.
- F. The County reserves the right to request such additional information, documentation, or studies it deems necessary in its sole discretion to evaluate the return on investment of tourist tax capital funding and or the financial feasibility of the Capital Project or the applicant, including but not limited to feasibility studies, plans and specifications, and/or applicant financial information.

## VII. Evaluation Process

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### A. Review & Evaluation Process.

- i. Staff review and evaluation.
  - a. Each application will be reviewed by ~~Visit SPC~~ VisitSPC ~~VSPC~~ staff and the County Attorney's office, ~~as may be needed~~, to ensure compliance with ~~S~~state statutes, ~~C~~ounty ordinances and these Guidelines regarding proper usage of Bed Tax funds.
  - b. This set of evaluation criteria applies for publicly owned and operated convention centers, coliseums, or auditoriums; aquariums or museums that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public; sports stadium or arenas not eligible for Category E funding and publicly owned and operated public facilities. Select ~~Visit SPC~~ VisitSPC ~~VSPC~~ staff, along with ~~VSPC's Visit SPC~~ VisitSPC's consultant of record will evaluate each application using the evaluation rating ~~rating~~ criteria below and determine the tourism and marketing value of the project event:
    - 1. Responsiveness to all criteria in the application
    - 2. Annual Tourism Economic Benefits of the Capital Project for a period of ten (10) years; ~~(30 points)~~.



3. Number of projected Incremental Tourist room nights and Tourist attendance generated annually and the projected minimum growth rate per year. ~~(25 points);~~
  - ~~4. Total Marketing and Sponsorship benefits; (20 points);~~
  5. Assessment of the project's alignment with VisitSPC's marketing objectives and the unique value this project augments existing marketing efforts.
  - ~~4. Contribution of the Project to the County's strategic plan; (20 points);~~
  - ~~5. The extent that the Capital Project achieves geographic distribution of CPFP funding throughout Pinellas County; (5 points);~~
- c. Beach park facilities will compete against each other in each funding cycle separate from other capital projects. The following evaluation criteria applies for publicly owned **beach facilities** that are directly associated with or demonstrated to be tourist attractions. Select VisitSPC staff along with VisitSPC's agent of record will evaluate each application to determine the tourism value of the project.
1. Historical Visitation Based Metrics (Annual Visitor Counts and Visitor Point of Origin).
  2. Future Based Metrics (Projected Annual Visitor Counts & Visitor Origin (Local vs. Out-of-area))
  3. Tourism Support Importance (including but not limited to (Tourism Infrastructure, Proximity to accommodations and/or High Visitation Areas, Tour Operators, Special Event Potential)
  4. Visitor Experience & Quality Indicators (Visitor Satisfaction & Environmental Quality and/or Sustainability Measures)
  5. Alignment with Strategic Goals (Sustainable Tourism Practices and Regional Competitiveness
- ii. ~~Visit SPC~~ VisitSPC ~~VSPC~~ staff will then make its funding recommendations to the ~~entire~~ TDC who will then review and ~~finalize their~~ make its funding recommendation for BCC ~~review and approval; consideration.~~
- iii. BCC Review.
- a. The BCC will review the funding recommendations of both ~~Visit SPC~~ VisitSPC ~~VSPC~~ staff and the TDC and determine up to funding approval
  - b. Negotiations of funding agreement terms will not begin until BCC review and approval of those funding recommendations.

## VIII. Timeframe for Capital Project Funding Awards

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~~The TDC Visit SPC VisitSPC~~ will establish and post a schedule for consideration and award of CPFP funding.

## IX. Funding Procedures

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Capital Project Funding recipients will receive funding as authorized and set forth in the Funding Agreement. As may be applicable, as required, original invoices must be submitted to designated County staff. Any payments will only be made to applicant and not directly to third parties. Capital Project funds approved and allocated hereunder ~~shall~~ will be paid in the amounts and the term as provided in the funding agreements.

A complete application does not create an entitlement to or guarantee funding, which will be granted solely at the discretion of the County.