

Bachteler, James J

*BCC 6-7-16 #16
TDC*

From: Vandenberg, Courtney
Sent: Tuesday, June 07, 2016 8:37 AM
To: BoardRecords
Subject: FW: TDC Capital Projects Funding Program Guidelines, from Dunedin and St Petersburg
Attachments: BOCC TDC Letter from Dunedin and St Pete - 5-31-2016.pdf

----- Original message -----

From: Mayor <Mayor@stpete.org>
Date: 06/03/2016 2:37 PM (GMT-05:00)
To: "Long, Janet C" <JanetCLong@co.pinellas.fl.us>, "Gerard, Pat" <pgerard@co.pinellas.fl.us>, "Justice, Charlie" <cjustice@co.pinellas.fl.us>, "Eggers, Dave" <deggers@co.pinellas.fl.us>, "Seel, Karen" <kseel@co.pinellas.fl.us>, "Morrioni, John" <jmorrioni@co.pinellas.fl.us>, "Welch, Kenneth" <kwelch@co.pinellas.fl.us>
Cc: "Woodard, Mark S" <mwoodard@co.pinellas.fl.us>, "Downing, David" <David@visitspc.com>, "citycommission@dunedinfl.net" <citycommission@dunedinfl.net>, Council <Council@stpete.org>, "Nazzaro, Andrea" <ANazzaro@DunedinFL.Net>, "jbujalski@dunedinfl.net" <jbujalski@dunedinfl.net>, "Smith, Donna" <DSmith@DunedinFL.Net>
Subject: TDC Capital Projects Funding Program Guidelines, from Dunedin and St Petersburg

Good afternoon,

On behalf of Mayor Julie Ward Bujalski of Dunedin and Mayor Rick Kriseman of St Petersburg, please find the attached letter regarding suggested revisions to the TDC Capital Projects Funding Program Guidelines, including several supporting documents:

- Document 1: Revised draft of the Capital Projects Funding Program Guidelines (two copies – the first with the marked-up changes, the second with those suggested revisions) – 8 pages each
- Document 2: Explanation of the proposed language changes to the TDC approved guidelines – 2 pages
- Document 3: Financial impact breakdown of TDC approved guidelines, with accompanying attachments one and two – 3 pages

A printed copy of these documents will be mailed to the members of the Pinellas County Board of County Commissioners, with a digital copy attached for all listed recipients.

Please contact either Mayor Bujalski or Mayor Kriseman with questions.

Sincerely,
David Flintom
Assistant to Mayor Rick Kriseman
St. Petersburg
727-893-7879

[Your Sunshine City](#)

RECEIVED
BOARD OF
2016 JUN -7 AM 9:01
PINELLAS COUNTY FLORIDA



May 31, 2016

Board of County Commissioners
315 Court Street, 5th Floor
Clearwater, FL. 33756

Dear Chair Justice, Vice Chair Long, Commissioners Seel, Welch, Morroni, Gerard, & Eggers:

The City of St. Petersburg and the City of Dunedin look forward to submitting applications for capital funding support to retain the Toronto Blue Jays (Jays) and to enhance and expand the Walter Fuller Baseball complex for International Baseball.

As you are well aware, the Jays have made Pinellas County their Spring Training and Florida State League home since their inception in 1977. They have been a loyal corporate entity, contributing greatly to the collective quality of life, serving as a tourist destination, all while creating a measurable economic benefit to our region. The City of Dunedin, the Jays, and Pinellas County have a proven and successful long-term relationship. The City believes Dunedin's capital funding application will document these characteristics both clearly and profoundly. This project is a legacy project of demonstrated success. Retention of jobs, tax base, and tourism is critical to our County.

The Walter Fuller complex, in its early life, was the spring training practice home of the St. Louis Cardinals and the New York Mets. Since those teams have left, the facility has been the home to countless baseball and softball tournaments, and most recently, has become the spring home of International Baseball, where teams from Canada, Puerto Rico, Australia, and Europe have sent their developing players to practice and play.

We have followed the progress of the Tourist Development Council (TDC) in the development of the Capital Projects Funding Program Guidelines (Guidelines). The TDC, on which Mayor Kriseman serves as a member, has done good work, and we are pleased that said Guidelines have been promulgated. The Guidelines give all of us needed direction in the preparation of our applications.

However, the City of Dunedin, along with the City of St. Petersburg believe that some minor refinement of the Guidelines will provide the flexibility desired by the Pinellas County Board of County Commissioners (BOCC) and greater clarity to applicants while ensuring that the multiple types of projects being brought forward will provide the critical and comprehensive information sought.

As such, we are attaching several documents for your review.

May 31, 2016
Page 2

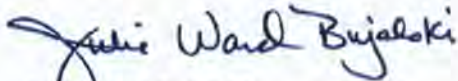
Document one contains the recommended language changes to the Guidelines. The changes proposed take into consideration that not all projects are new. Some will come from long time relationships that already exist in Pinellas County. The changes also acknowledge that some facilities seeking funds may be subject to a service contract (including a management agreement or use agreement) rather than a lease agreement.

Finally, the recommended changes remove language added to the Guidelines by the TDC which would be contrary to the ordinance which defines the funding formula and limit flexibility by placing additional restrictions on the use of the funds (please review document three which provides a breakdown on how funding would be impacted by the additional language added by the TDC).

Document two contains a detailed explanation of each of the proposed changes or modifications to the Guidelines, excluding the non-substantive changes.

We believe the suggested refinements maintain the integrity of the TDC Guidelines, yet enhance the application and vetting process for everyone. We respectfully request that the BOCC give full consideration to the proposed refinements attached as document one. Additionally, we would welcome the opportunity to speak with each of you (recognizing that members of the TDC may not communicate except in a sunshine meeting) to answer any questions and define further our mutual thought process.

Respectfully,



Julie Ward Bujalski
Mayor, City of Dunedin



Rick Kriseman
Mayor, City of St. Petersburg

- Document 1 – Revised draft Capital Projects Funding Program Guidelines
- Document 2 – Explanation of proposed language changes to TDC approved Guidelines
- Document 3 – Financial impact breakdown of TDC approved Guidelines

Cc: Mark Woodard, County Administrator
David Downing, Director, VSPC & TDC
Dunedin City Commission
St. Petersburg City Council

RECEIVED
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2016 JUN - 7 AM 9:01
COUNTY CLERK
PINELLAS COUNTY FLORIDA

CAPITAL PROJECTS FUNDING PROGRAM GUIDELINES
ACCEPTED CHANGES PURSUANT TO TDC MEETING DIRECTIVES 3-16-16
MAY 10, 2016 - DRAFT

I. Background

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 has developed a Tourist Development Plan ("Plan") to guide how these proceeds are spent. The Plan divides the potential uses of Bed Tax revenues into five (5) categories, A through E. For the purpose of allocating the total Bed Tax revenue collected in any fiscal year, the Plan has assigned each category of use to one of two groups; Group 1) sixty percent (60%) or three and six tenths (3.6) percents of the total six percents of Bed Tax revenue may be used for Categories A and/or B and any monies not utilized accordingly shall become reserves to be used for future Category A and/or B uses; Group 2) forty percent (40%) or two and four tenths (2.4) percents of the total six percents of Bed Tax revenue may be used for Categories C, D and E and any of monies not utilized accordingly shall become reserves to be used for future Categories C and/or D and/or E uses as defined and/or outlined below. These funding guidelines have been established by the Tourist Development Council ("TDC"), and approved by the Board of County Commissioners, to establish criteria to determine eligibility and define the application process, award criteria, and priorities for Group 2 funding as well as the sources and limits of funding available within each category of use. These projects may be implemented through service contracts and leases with parties with sufficient expertise or financial capabilities to operate such eligible facilities.

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

- 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. 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. Funding guidelines shall be established by the Tourist Development Council, which shall be subject to approval by the Board of County Commissioners.

~~Each of the Categories C, D, and E within Group 2 as defined above shall be allocated a minimum of 20% of the total of Group 2's 2.4 percents of Bed Tax collected in any fiscal year. If the 20% minimum allocation for Category C is not expended during the fiscal year in which it was received, then the unused portion of the Category C minimum allocation shall become reserves for future Category C uses. If the 20% minimum allocation for Category D is not expended during the fiscal year in which it was received, then the unused portion of the Category D minimum allocation shall become reserves for future Category D uses. If the 20% minimum allocation for Category E is not expended during the fiscal year in which it was received, then the unused portion of the Category E minimum allocation shall become reserves for future Category E uses.~~

~~The remaining 40% of the total of Group 2's 2.4 percents of Bed Tax collected in any fiscal year may be used for any Category C, D or E use and any monies not utilized accordingly shall become reserves to be used for future Category C, D or E uses.~~

~~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, (Categories A and B) and funding for capital projects (Categories C, D and E). 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 defined in Categories D and E to receive funding from VSPC. Requests for Category D and/or E Capital Projects Funding will be evaluated and ranked as provided in these Board of County Commissioners approved ~~g~~Guidelines. Available funding will be determined annually as approved in the 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. It is the intent of the TDC to award funding as provided herein to multiple eligible capital projects as determined to be in the best interest of tourism.

II. Definitions

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

“Capital Project” shall mean any project listed in the Categories 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.

~~A. 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 any of 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 ~~(including a management agreement or use agreement)~~ 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 any of the following:~~

1. cash funds;
2. in-kind contributions to the project/facilities, such as providing property upon which the project/facilities shall be located, at 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;
5. funds committed by a financial institution through a credit facility that is not collateralized by a Capital Project Funding Grant

III. Eligibility

A. Project funds may be used to acquire, construct, extend, enlarge, remodel, repair, or improve, certain eligible facilities as authorized in Section 125.0104, Florida Statutes. 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 applying for Category D funding must provide matching funding as defined above in a minimum ratio of one dollar matching funds to one dollar grant funds (1:1).

C. Applicants must demonstrate through a feasibility study and business plan, ~~to the extent as~~ required herein, how the project(s) will enhance Pinellas County as a tourist destination and

Commented [A1]: This is not a definition and is covered in III Eligibility A

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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 four (4) years from execution of grant funding award agreement with the County.

E. For leased property (property leased by a public entity from a third party; property leased by a public entity to a third party; or publicly owned property subject to a service contract), the lease or contract term lease length must be at least 10 years or equal to the length of time funding will be provided, whichever is greater.

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 during the design phase and/or construction phase of the project upon submittal and review of supporting documentation by County Staff, as agreed upon in the agreement. For debt service obligations which occur after construction is completed, funding shall be paid at a time 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) MAY ~~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 reviewed by a firm approved by Pinellas County completed no earlier than six (6) months from application date. For projects or facilities that have existed for at least 5 years who have a record of enhancing Pinellas County as a

tourist destination, written documentation of such record may be provided in lieu of a feasibility and economic impact analysis/study.

C. A business plan, including financial stability of ~~a~~Applicant. For projects or facilities* that have existed for at least 5 years who have a record of enhancing Pinellas County as a tourist destination, written documentation of such record may be provided in lieu of a business plan (including financial stability of applicant).

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D. ~~Completed~~ Preliminary drawings or ~~completed~~ architectural plans.

E. Explanation and documentation of secured property interest and the status of, design, permitting, and construction ~~status.~~ Explanation and documentation of secured property interest shall include: (i) evidence of property ownership through a copy of a deed; (ii) an executed lease agreement or executed letter of intent with business points for property leased by a public entity from a third party; (iii) an executed lease agreement or executed letter of intent with business points for property leased by a public entity to a third party; or (iv) an executed service contract or an executed letter of intent with business points for a private organization to manage, operate and/or use a publicly owned property.

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 revenue from fundraising or other activities unless said revenue or projected amounts are from committed ~~s~~State or ~~f~~Federal grants or allocations. Only funds identified as "on hand" or committed by a credit facility, as defined above, 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") based on the rating scale shown later in these ~~g~~Guidelines.

C. The Committee and staff will hold a meeting to announce the preliminary score of all applicants, and receive presentations by applicants that received a preliminary score of at least 500 points. Ultimately, only projects that score at least 700 points will be considered for funding.

D. At the conclusion of the presentations and public comment, the committee can adjust the scores based on any new information or clarification received during the applicants' presentations or public comment, and thereafter will announce the total points and the average final score for each application. When calculating average final scores, the highest and lowest scores will be eliminated from the calculation. Once completed, the applicants will be ranked from highest to lowest final score.

E. Members of the Committee will begin with the highest scoring applications and determine recommended funding amounts for each application. The Committee is authorized to make a conditional funding recommendation to an applicant, conditioned upon the applicant receiving state or federal grants or other funding. Should the applicant fail to receive the state or federal funding noted in its application, all funds previously recommended shall thereafter become available for other applicants' use. The Committee is authorized to make a conditional funding recommendation to an applicant who submitted an executed letter of intent with business points as an explanation and documentation of secured property interest (described in section E. of VI. Required Documentation), conditioned upon the applicant executing a lease or service contract. Should the applicant fail to execute a lease or service contract, all funds previously recommended shall thereafter become available for other applicants' use.

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

VIII. Rating Criteria

- A. Sufficiency of feasibility study and economic impact analysis reviewed 200 points
by an independent vendor, which shall at a minimum include the following:
- Profit & Loss Analysis, including:
 - Financial Forecast for a 10-year period
 - Debt Service
 - Operational Costs
 - Amortization
 - Facility Expenses, including: General and Administrative Expenses and Staffing Expenses
 - Miscellaneous Costs
 - Projected Events
 - Projected Marketing
 - Total economic impact
 - Total number of visitors
 - Market analysis to include demographics of attendees, analysis of competition/provider sites
 - Flexibility of uses of the project/facility
 - Increases in governmental revenues through taxes and fees generated by the project.

Alternatively, if a project or facility has a record of enhancing Pinellas County as a tourist destination, written documentation of such enhancement is sufficient.

B.	Sufficiency of business plan, including capacity and financial stability of applicant(s). <u>Alternatively, if a project or facility has a record of enhancing Pinellas County as a tourist destination, written documentation of such enhancement is sufficient.</u>	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.	<u>Projected</u> C Contribution to Pinellas County's reputation as an attractive destination for tourists	50 points
F.	<u>Previously demonstrated contribution to Pinellas County's reputation as an attractive destination for tourists (for projects or facilities with a record of enhancing Pinellas County as a tourist destination)</u>	<u>50 points</u>
G F.	Appropriate documentation of all funding sources (e.g., cash match and other in-kind)	25 points
H G.	Projects that are shovel ready (already designed and approved to be permitted, including that the applicant has approval to receive or has received all governmental and/or regulatory permits)	25 points
I H.	Projects that achieve geographic distribution of Capital Project Funding Program dollars across Pinellas County	25 points
J.	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	125 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 1050 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 nd 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.

May 15, 2016 FINAL 139942004000-000043
Document # 270865

CAPITAL PROJECTS FUNDING PROGRAM GUIDELINES

MAY 10, 2016 - DRAFT

I. Background

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 has developed a Tourist Development Plan ("Plan") to guide how these proceeds are spent. The Plan divides the potential uses of Bed Tax revenues into five (5) categories, A through E. For the purpose of allocating the total Bed Tax revenue collected in any fiscal year, the Plan has assigned each category of use to one of two groups; Group 1) sixty percent (60%) or three and six tenths (3.6) percents of the total six percents of Bed Tax revenue may be used for Categories A and/or B and any monies not utilized accordingly shall become reserves to be used for future Category A and/or B uses; Group 2) forty percent (40%) or two and four tenths (2.4) percents of the total six percents of Bed Tax revenue may be used for Categories C, D and E and any of monies not utilized accordingly shall become reserves to be used for future Categories C and/or D and/or E uses as defined and/or outlined below. These funding guidelines have been established by the Tourist Development Council ("TDC"), and approved by the Board of County Commissioners, to establish criteria to determine eligibility and define the application process, award criteria, and priorities for Group 2 funding as well as the sources and limits of funding available within each category of use. These projects may be implemented through service contracts and leases with parties with sufficient expertise or financial capabilities to operate such eligible facilities.

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

- 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. 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. Funding guidelines shall be established by the Tourist Development Council, which shall be subject to approval by the Board of County Commissioners.

The 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, (Categories A and B) and funding for capital projects (Categories C, D and E). 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 defined in Categories D and E to receive funding from VSPC. Requests for Category D and/or E Capital Projects Funding will be evaluated and ranked as provided in these Board of County Commissioners approved guidelines. Available funding will be determined annually as approved in the 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. It is the intent of the TDC to award funding as provided herein to multiple eligible capital projects as determined to be in the best interest of tourism.

II. Definitions

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

"Capital Project" shall mean any project listed in the Categories 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.

"Eligible Applicant" shall mean and include any of 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 (including a management agreement or use agreement) 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.

“Matching Funding” shall mean and include any of the following:

1. cash funds;
2. in-kind contributions to the project/facilities, such as providing property upon which the project/facilities shall be located, at 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;
5. funds committed by a financial institution through a credit facility that is not collateralized by a Capital Project Funding Grant

III. Eligibility

A. Project funds may be used to acquire, construct, extend, enlarge, remodel, repair, or improve, certain eligible facilities as authorized in Section 125.0104, Florida Statutes. 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 applying for Category D funding must provide matching funding as defined above in a minimum ratio of one dollar matching funds to one dollar grant funds (1:1).

C. Applicants must demonstrate through a feasibility study and business plan, to the extent 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 four (4) years from execution of funding agreement with the County.

E. For leased property (property leased by a public entity from a third party; property leased by a public entity to a third party; or publicly owned property subject to a service contract), the lease or contract term must be at least 10 years or equal to the length of time funding will be provided, whichever is greater.

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 during the design phase and/or construction phase of the project upon submittal and review of supporting documentation by County Staff, as agreed upon in the agreement. For debt service obligations which occur after construction is completed, funding shall be paid at a time 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) 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. A feasibility and economic impact analysis/study reviewed by a firm approved by Pinellas County completed no earlier than six (6) months from application date. For projects or facilities that have existed for at least 5 years who have a record of enhancing Pinellas County as a tourist destination, written documentation of such record may be provided in lieu of a feasibility and economic impact analysis/study.

C. A business plan, including financial stability of applicant. For projects or facilities that have existed for at least 5 years who have a record of enhancing Pinellas County as a tourist destination, written documentation of such record may be provided in lieu of a business plan (including financial stability of applicant).

D. Preliminary drawings or architectural plans.

E. Explanation and documentation of secured property interest and the status of design, permitting, and construction. Explanation and documentation of secured property interest shall include: (i) evidence of property ownership through a copy of a deed; (ii) an executed lease agreement or executed letter of intent with business points for property leased by a public entity from a third party; (iii) an executed lease agreement or executed letter of intent with business points for property leased by a public entity to a third party; or (iv) an executed service contract or an executed letter of intent with business points for a private organization to manage, operate and/or use a publicly owned property.

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 revenue from fundraising or other activities unless said revenue or projected amounts are from committed state or federal grants or allocations. Only funds identified as "on hand" or committed by a credit facility, as defined above, 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") based on the rating scale shown later in these guidelines.

C. The Committee and staff will hold a meeting to announce the preliminary score of all applicants, and receive presentations by applicants that received a preliminary score of at least 500 points. Ultimately, only projects that score at least 700 points will be considered for funding.

D. At the conclusion of the presentations and public comment, the committee can adjust the scores based on any new information or clarification received during the applicants' presentations or public comment, and thereafter will announce the total points and the average final score for each application. When calculating average final scores, the highest and lowest scores will be eliminated from the calculation. Once completed, the applicants will be ranked from highest to lowest final score.

E. Members of the Committee will begin with the highest scoring applications and determine recommended funding amounts for each application. The Committee is authorized to make a conditional funding recommendation to an applicant, conditioned upon the applicant receiving state or federal grants or other funding. Should the applicant fail to receive the state or federal funding noted in its application, all funds previously recommended shall thereafter become available for other applicants' use. The Committee is authorized to make a conditional funding recommendation to an applicant who submitted an executed letter of intent with business points as an explanation and documentation of secured property interest (described in section E. of VI. Required Documentation), conditioned upon the applicant executing a lease or service contract. Should the applicant fail to execute a lease or service contract, all funds previously recommended shall thereafter become available for other applicants' use.

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

VIII. Rating Criteria

- | | | |
|----|--|------------|
| A. | Sufficiency of feasibility study and economic impact analysis reviewed by an independent vendor, which shall at a minimum include the following: | 200 points |
| | <ul style="list-style-type: none"> • Profit & Loss Analysis, including: <ul style="list-style-type: none"> ▪ Financial Forecast for a 10-year period ▪ Debt Service ▪ Operational Costs ▪ Amortization ▪ Facility Expenses, including: General and Administrative Expenses and Staffing Expenses ▪ Miscellaneous Costs ▪ Projected Events ▪ Projected Marketing • Total economic impact • Total number of visitors • Market analysis to include demographics of attendees, analysis of competition/provider sites • Flexibility of uses of the project/facility • Increases in governmental revenues through taxes and fees generated by the project. <p>Alternatively, if a project or facility has a record of enhancing Pinellas County as a tourist destination, written documentation of such enhancement is sufficient.</p> | |
| B. | Sufficiency of business plan, including capacity and financial stability of applicant(s). Alternatively, if a project or facility has a record of enhancing Pinellas County as a tourist destination, written documentation of such enhancement is sufficient. | 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. | Projected contribution to Pinellas County's reputation as an attractive destination for tourists | 50 points |
| F. | Previously demonstrated contribution to Pinellas County's reputation as an attractive destination for tourists (for projects or facilities with a record of enhancing Pinellas County as a tourist destination) | 50 points |
| G. | Appropriate documentation of all funding sources (e.g., cash match and other in-kind) | 25 points |
| H. | Projects that are shovel ready (already designed and approved to be permitted, including that the applicant has approval to receive or has received all governmental and/or regulatory permits) | 25 points |

- I. Projects that achieve geographic distribution of Capital Project Funding Program dollars across Pinellas County 25 points
- J. 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 125 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 1050 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 nd 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.

May 15, 2016 DRAFT
Document # 270865

DOCUMENT TWO

On Page 2 of the recommended revisions to the guidelines we are suggesting removal of the language added to the guidelines by the TDC which would place additional restrictions on the use of the funds for capital projects contrary to the ordinance. Document three explains in detail the impact to the funding formula caused by the inclusion of language added by the TDC to the Guidelines.

On Page 3 of the recommended revisions to the guidelines, we are suggesting that what was listed as II A be removed, as it is listed under the section titled "definitions" yet is not a definition.

On that same page, we are recommending under "Eligible Applicant" subsection 2, that it is clear that a service contract includes a management agreement or use agreement, as some of the projects seeking funding may be subject to a service contract and not a lease.

Also on that page under paragraph III C., we have added "to the extent", the need for which will become clear upon review of the language added to paragraph VI B and paragraph VI C.

On page 4, paragraph III E, the language was added to reflect that the term leased property for purposes of the guidelines includes property leased by a public entity from a third party, property leased by a public entity to a third party or publicly owned property subject to a service contract.

Section VI, Required Documents, the word "will" was changed to "may" so as to recognize that the failure to attach one document to the application should not automatically result in an outright disqualification.

For Paragraph B & C under Section VI, we added language to recognize that there may be projects or facilities who are requesting funding which have been in existence for more than 5 years, and because of their history in the County, such projects or facilities shall not be required to attach a feasibility or economic impact study or a business plan. Instead, the applicant for such projects or facilities would be required to submit written documentation of its record of enhancing Pinellas County as a tourist destination. (For example, Dunedin Blue Jays have held spring training in Dunedin for 40+ years. They are clearly not a new business or operation. Their impact on Dunedin and the County has been well established over those 40 years and a record of their enhancement to Pinellas County should be sufficient).

In Paragraph D under Section VI, we removed the word "completed". How can you have a "preliminary" drawing if it's completed? Preliminary, by definition, means that that the drawings are not yet completed.

Paragraph E under Section VI contains language which clarifies ownership and recognizes the different legal arrangements which might exist at the time the application is submitted.

Section VII, paragraph E recognizes that an applicant may not be able to move forward with their project and/or that an applicant may not be able to execute other legal documents unless they know they will be receiving TDC funding. As such, it authorizes the TDC to make a conditional recommendation.

Section VIII, Rating Criteria. In both paragraphs A & B, we have included language which recognizes that situation where the applicant has been in existence for more than 5 years, and as such, is not required under the guidelines (with the recommended revision) to submit a business plan or a feasibility/ economic impact study.

Section VII, Paragraph F provides points for those entities who have a record for enhancing the county as a tourist destination.

Finally, the maximum points was changed from 1000 to 1050 as a result of adding a criteria to allow entities who have a record of enhancing Pinellas County as a tourist destination to receive up to 50 points.

DOCUMENT THREE

Attached to this document is a breakdown prepared for your review.

This document and its attachments provides you with an example of how the funding formula language added to the draft guidelines removes virtually all of the BCC's flexibility regarding funding opportunities. Attachment 1 reflects an estimate of the amount of TD Tax funds available if we assume each percentage is valued at \$7.75 million per percent. With the TDC having 6 percent to work with, the value of the TD tax would be \$46,500,000.00.

With the currently approved split of 60/40 between Categories A&B and C, D, & E, Categories A & B would have approximately \$27,900,000.00 available. Categories C, D, &E would have \$18,600,000.00 available.

If we then apply the formula added to the Guidelines by the TDC: (i) 20% of the 40% (or \$3,720,000.00) would be dedicated to Category C (Beach Improvement/nourishment), and if not fully spent, would be maintained in a reserve which could only be used for beach improvement/nourishment; (ii) 20% of the 40% (or \$3,720,000.00) would be dedicated to Category D, and if not fully spent, would be maintained in a reserve which could only be used for Category D uses and (iii) 20% of 40% (\$3,720,000.00) would be dedicated to Category E, and if not fully spent, would be maintained in a reserve which could only be used for Category E uses. Therefore, leaving a balance for Categories C, D, & E combined of \$7,440,000.00 (40% of the 40%).

As an example:

In order to cover the cost of a new stadium on the Tropicana Field site, we would need to combine all of the funding for Category E (\$3,720,000.00) along with \$4,030,000.00 in the Categories C, D, & E combined fund, thus leaving a balance in the Categories C, D & E combined fund of \$3,410,000.00.

If we were then to assume that the Clearwater Marine Aquarium and Ruth Eckerd Hall make a multi-year ask of the TDC of \$2,000,000 annually, and the Walter Fuller Complex makes a one-time ask of \$1,000,000.00, these funds would come from the Category D fund, leaving a balance in that fund of \$720,000.00.

Lastly, if we were then to consider requests for Al Lang Field renovations of \$2,000,000.00, a request for a new Dunedin Blue Jays Spring Training Complex of \$2,500,000.00, and a request for renovations to the Clearwater Phillies facilities of \$500,000, there would be insufficient funds available in this year to fulfil these requests (as there is only \$3,410,000.00 remaining in the categories C, D &E combined fund), which would prevent the TDC from being able to fund all of these requests. Also, the remaining funds in the amount of \$720,000.00 for Category D would not be able to be used for these Category E requests.

Therefore, as you can see from reviewing Attachment 2, without the added language and even with funds being set aside for a new stadium on the Tropicana Field site, after funding the Clearwater Marine Aquarium, Ruth Eckerd Hall, Walter Fuller Complex, a renovated Al Lang stadium, a new Blue Jays complex, and a renovated Clearwater Phillies facility there would still be \$2,850,000.00 in this year's budget for beach improvement/nourishment.

Attachment 1

**TD Tax - Projects Funding Program Guidelines
(Current Proposal)**

Available TD Tax (assumes \$7.75 Million per %)	@ 6%		46,500,000
Categories A & B	3.60	60%	27,900,000
Categories C, D, & E	2.40	40%	18,600,000
	6.00	100%	46,500,000

Sub Allocation of Capital Funds

Category C (Beach Imprv/Nourishment)	20%	3,720,000
Category D (Capital Funding/Debt Svc - Other)	20%	3,720,000
Category E (Debt Dvc - Pro Sports & Conv Center)	20%	3,720,000
Categories C,D,E (combined)	40%	7,440,000
	100%	18,600,000

Sample Projects

	<u>Tax Revenue Provided</u>	<u>Duration (# of Yrs)</u>
<u>Category D (\$1:\$1 match required)</u>		
Clearwater Aquarium (Bonded)	1,000,000	10
Walter Fuller Baseball (Pay-as-you-Go)	1,000,000	1
Ruth Eckerd Hall (Pay-as-you-Go)	1,000,000	5
<u>Category E (no match required) - (all Bonded)</u>		
Tropicana Field	7,750,000	30
Al Lang Stadium	2,000,000	20
Dunedin Blue Jays Spring Training Complex	2,500,000	20
Clearwater Phillies Facility	500,000	20

Example - If Tropicana Field receives 1% (of 6%)

<u>Category E:</u>	
Trop Funding (per year for 30 years)	7,750,000
Funding comes from:	
Cat E Specific Funds	(3,720,000)
Cat C,D,E Combined Funds	(4,030,000)
Remaining Balance of Combined C,D,E Funds	3,410,000
(There would be insufficient amounts avail for Al Lang and Dunedin & Clearwater Spring Training Facilities)	
<u>Category D:</u>	
Aquarium, Walter Fuller & Ruth Eckerd	3,000,000
Funding comes from:	
Cat. D Specific Funds	(3,000,000)
Remaining Balance of Cat. D Specific Funds	720,000

Attachment 2

**TD Tax - Projects Funding Program Guidelines
(without Categories C, D, E sub-limits)**

Available TD Tax (assumes \$7.75 Million per %)	@ 6%	\$	46,500,000
Categories A & B	3.60	60%	27,900,000
Categories C, D, & E	2.40	40%	18,600,000
	6.00	100%	\$ 46,500,000

Sample Projects

	<u>Tax Revenue Provided</u>	<u>Duration (# of Yrs)</u>
<u>Category D (\$1:\$1 match required)</u>		
Clearwater Aquarium (Bonded)	1,000,000	10
Walter Fuller Baseball (Pay-as-you-Go)	1,000,000	1
Ruth Eckerd Hall (Pay-as-you-Go)	1,000,000	5
<u>Category E (no match required) - (All Bonded)</u>		
Tropicana Field	7,750,000	30
Al Lang Stadium	2,000,000	20
Dunedin Blue Jays Spring Training Complex	2,500,000	20
Clearwater Phillies Facility	500,000	20

Example - If Tropicana Field receives 1% (of 6%)

Total Funding Available for Cat. C, D, E	18,600,000	
Trop Funding (per year for 30 years)	(7,750,000)	(Cat E)
	10,850,000	
Est. for Clwr Aquar, Walter Fuller & Ruth Eckerd	(3,000,000)	(Cat D)
Est. for Al Lang, Dunedin & Clwr Stadiums	(5,000,000)	(Cat E)
Balance of Cat. C, D, E Annual Funding	2,850,000	Avail for Bch Renourishment (Cat C)