


Memorandum

To: Brian Lowack, President & CEO,
Visit St. Pete-Clearwater

From: Amanda S. Coffey, 
Managing Assistant County Attorney

Subject: Proposed Ordinance Amending Tourist Development Tax Plan and
Code Cleanup

Date: August 20, 2024

An amendment to the Tourist Development Plan requires a **majority + 1 vote** of the BCC. The attached proposed ordinance makes the following changes to the Pinellas County code provisions related to the Tourist Development Tax:

1. Clean-up
 - a. Removes obsolete language concerning pledges of specific percentages for payment of specific obligations (i.e., Tropicana field, Blue Jays, Phillies, and Dali) from Section 118-31 and subsection 118-32(a)(3).
 - b. Removes the term “recreation facilities” from Category D, as that is not an allowable statutory use.
2. Elite Event Funding Cap
 - a. Updates \$2,000,000 to \$3,000,000.
3. Public Facilities Funding
 - a. Includes the following as an authorized capital funding project type to Category D (Capital Funding/Debt Service other than professional sports and convention centers), subsection 118-32(a)(1)(d) :

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.

Some additional context to consider:

The term “public facilities” means “major capital improvements that have a life expectancy of 5 or more years, including, but not limited to, transportation, sanitary sewer, solid waste, drainage, potable water, and pedestrian facilities.” The language proposed would strictly limit the types of allowable public facilities to those that are, or are associated with, tourist attractions. If the funding of “public facilities” is authorized under the Plan, the following statutory requirements must be met before funding:

1. The TDC must recommend the funding of the public facilities capital project.
2. The BCC must make a legislative finding that the public facility is needed to increase tourist-related business activities in the county.
3. An independent professional analysis, funded by TDT, must demonstrate the positive impact of the “infrastructure project” on tourist-related businesses in the County.
4. The BCC must approve the project by a vote of 2/3 its membership (5).
5. At least \$10 million in TDT must have been collected in the prior FY.
6. 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.
7. At least 40% of all TDT collected in the County must be used to promote and advertise tourism.

Assuming the proposed changes are adopted, the following categories of statutorily allowable expenditures remain unauthorized under the local TD Plan:

1. Shoreline, channel, estuary, lagoon, or inland lake or river renourishment/maintenance (other than beach renourishment/maintenance, which is authorized).
2. Public facilities not directly related to/constituting a tourist attraction.
3. Beach Park facilities.

ORDINANCE NO. 24- ____

AN ORDINANCE OF THE COUNTY OF PINELLAS, AMENDING SECTION 118-31 AND 118-32 OF THE PINELLAS COUNTY CODE RELATING TO THE TOURIST DEVELOPMENT TAX AND TOURIST DEVELOPMENT PLAN ADDING A NEW CATEGORY OF STATUTORILY ALLOWABLE USE OF TOURIST TAX REVENUES; DELETING OBSOLETE PROVISIONS; INCREASING AVAILABLE FUNDING FOR CERTAIN CATEGORY A EVENTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR AREAS EMBRACED; AND 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, the Board wishes to expand the available uses of tourist development tax revenues under the Tourist Development Plan to incorporate additional uses authorized by the Statutes; and

WHEREAS, the Board’s approval and adoption of this amendment to the Tourist Development Plan 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, that:

SECTION 1. Subsection (a) of Section 118-31 of the Pinellas County Code is hereby amended to provide as follows; all other provisions of Section 118-31 remain unchanged:

Sec. 118-31. Levied; collection and remittance; duties of county tax collector; enforcement.

- (a) There is hereby levied and imposed and set a tourist development tax throughout the county at a rate of six percent of each whole and major fraction of each dollar of the total rental charged every person who rents, leases, or lets for consideration and living quarters or accommodations in any hotel, apartment hotel, motel, resort hotel, apartment, apartment motel, roominghouse, tourist or trailer camp, mobile home park, recreational vehicle park, timeshare accommodation, or condominium for a term of six months or less. When receipt

of consideration is by way of property other than money, the tax shall be levied and imposed on the fair market value of such nonmonetary considerations. The six percent tourist development tax was levied as follows, and each percent will be used as authorized by statute unless its use is specifically further limited by the tourist development plan, section 118-32:

- (1) The levy and the imposition of the first and second percent commenced on the first day of the month following referendum approval in 1978, pursuant to Ordinance No. 78-20.
- (2) The levy of the third percent commenced on July 1, 1988, pursuant to Ordinance No. 88-14.
- (3) The levy and imposition of the fourth percent commenced on January 1, 1996, pursuant to Ordinance No. 95-35, and was subsequently extended by Ordinance Nos. 10-67 and 14-55, until such time, if any, it is repealed.
- (4) The levy and imposition of the fifth percent commenced on December 1, 2005, pursuant to Ordinance No. 05-47.
- (5) The sixth percent commenced on January 1, 2016, pursuant to Ordinance No. 15-31.

SECTION 2. 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 for the following: (i) marketing 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; however, funding of not more than \$3,000,000.00 annually for subsection (i), herein. Grant guidelines will be established by county

staff in consultation with 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 and 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; 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; 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").

All capital projects funded 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.

- (2) It is the intent of the board of county commissioners that the total tourist development tax revenue shall be allocated as follows for the fiscal year in which it is collected:
 - a. Sixty percent of the total tourist development 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.
 - b. Forty percent of the total tourist development tax revenue may be used for Categories C, D and E and any monies not utilized accordingly shall become reserves to be used for future Categories C, D and/or E uses.
- (b) *Review of the plan.* The tourist development council shall review the tourist development plan at least every five 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 2. Severability. If any Section, Subsection, sentence, clause, phrase, or provision of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such holding shall not be construed to render the remaining provisions of this Ordinance invalid or unconstitutional.

SECTION 3. Areas Embraced. This ordinance shall apply Countywide.

SECTION 4. Inclusion in Code. It is the intention of the Board of County Commissioners that the provisions of this Ordinance shall become and be made a part of the Pinellas County Code and that the sections of this Ordinance may be renumbered or relettered and the word “ordinance” may be changed to section, article or such other appropriate word or phrase in order to accomplish such intentions.

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 enactment by the Board of County Commissioners. This Ordinance shall become effective upon filing of the ordinance with the Department of State.