

Application for Federal Assistance SF-424

* 1. Type of Submission:

- ☐ Preapplication
☒ Application
☐ Changed/Corrected Application

* 2. Type of Application:

- ☒ New
☐ Continuation
☐ Revision

* If Revision, select appropriate letter(s):

* Other (Specify):

* 3. Date Received:

Completed by Grants.gov upon submission.

4. Applicant Identifier:

EDA Control Number 112470

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: Pinellas County Board of County Commissioners

* b. Employer/Taxpayer Identification Number (EIN/TIN):

59-6000800

* c. Organizational DUNS:

0552002160000

d. Address:

* Street1: Office of Management and Budget

Street2: 315 Court Street

* City: Clearwater

County/Parish: Pinellas

* State: FL: Florida

Province:

* Country: USA: UNITED STATES

* Zip / Postal Code: 33756-5165

e. Organizational Unit:

Department Name:

Economic Development

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

Ms.

* First Name:

Cindy

Middle Name:

* Last Name:

Margiotta

Suffix:

Title: Senior Economic Development Manager

Organizational Affiliation:

Economic Development is a department of Pinellas County Gov.

* Telephone Number: 727-464-7398

Fax Number:

* Email: cmargiotta@pinellascounty.org

Application for Federal Assistance SF-424

* 9. Type of Applicant 1: Select Applicant Type:

B: County Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

* 10. Name of Federal Agency:

Economic Development Administration

11. Catalog of Federal Domestic Assistance Number:

11.307

CFDA Title:

Economic Adjustment Assistance

* 12. Funding Opportunity Number:

EDA-2018-DISASTER

* Title:

FY 2018 EDA Disaster Supplemental

13. Competition Identification Number:

CONSTRUCTION

Title:

EDA Construction Full Application

14. Areas Affected by Project (Cities, Counties, States, etc.):

Form 424 Question 14 Areas Affected.pdf

Add Attachment

Delete Attachment

View Attachment

* 15. Descriptive Title of Applicant's Project:

Tampa Bay Innovation Center Incubator

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424**16. Congressional Districts Of:*** a. Applicant * b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

17. Proposed Project:* a. Start Date: * b. End Date: **18. Estimated Funding (\$):**

* a. Federal	<input type="text" value="9,000,000.00"/>
* b. Applicant	<input type="text" value="3,000,000.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="12,000,000.00"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on .
- ☒ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- ☐ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name:

Middle Name:

* Last Name:

Suffix:

* Title: * Telephone Number: Fax Number: * Email: * Signature of Authorized Representative: * Date Signed:

16. AREAS AFFECTED BY PROJECT

CONGRESSIONAL DISTRICTS: FL-012 AND FL-013

STATE: Florida

COUNTY: Pinellas

CITY: St. Petersburg

CENSUS TRACT: 121030205.00.



ED-900 – General Application for EDA Programs

A. Applicant Information

A.1. EDA Application Identifier (if available):

A.2. Please identify all applicants for this project:

	Name	SAM.gov CAGE Code	SAM.gov Registration Expiration Date	Fiscal Year End Date (mm/dd)
Lead Applicant	Pinellas County Board of County Commissioners	4ATJ4	07/18/2019	09/30
Co-Applicant 1				

B. Project Information

B.1. Define and describe the region in which the investment (project) is located

The City of St. Petersburg is the actual location of the incubator, but is too small to encompass the impacted area. The Applicant believes that the benefits will accrue to Pinellas County and the Tampa Bay region, as the incubator will serve entrepreneurs throughout the counties of the Tampa Bay, but for simplicity the region here is defined as Pinellas County. Pinellas County also is an appropriate region given the strong support the County's government has provided past/current incubation efforts, and will be a major investor in the new incubator.

B.2. Describe and outline the scope of work for the proposed EDA investment

The scope of work for this project is to design and construct an approximate 45,000-square-foot purpose-built, state-of-the-art business incubator. The project is to be built on an approximate 2.5-acre site that will be conveyed by the City of St. Petersburg to Pinellas County via a lease/purchase agreement for the purpose of constructing, operating and maintaining the incubator.

B.3. Economic development needs

B.3.a. Does the region in which the project will be located have a Comprehensive Economic Development Strategy (CEDS)?

☒ Yes If Yes, what is the source?

The Tampa Bay Regional Planning Council produces the CEDS.

☐ No If No, then please check one:

☐ B.3.a.i. An alternate strategic planning document that governs this investment is attached.

Add Attachment

Delete Attachment

View Attachment

☐ B.3.a.ii. This investment is to develop a "strategy grant" to develop, update or refine a CEDS.

B.3.b. Describe the economic conditions of your region and the needs that this project will address.

As described in the current CEDS, Tampa Bay is "not perceived to be a hot bed of technology, partly attested to by our middling ranking in attracting foreign investment and venture capital, per capita income growth is slow, the industrial clusters we do have are not diverse. In fact they are ranked near the bottom of all metros areas". The project will address the diversification of Pinellas County's industry base. A major part of Hurricane Irma's impact was felt by declines in the employed population. Typically, Pinellas County's labor force and employment decrease slightly during the fourth quarter, but the magnitude was greater in 2017 after Irma when compared with previous years. Irma illustrated that Pinellas County has an economy that is greatly influenced by external shocks, including natural disasters like Hurricane Irma. In particular, real estate and tourism are two of the county's base industries and these are both highly volatile and relatively lower paying economic sectors. Florida Gulf Coast University tracks industrial diversification across the state and compared to other urban workforce regions, Pinellas ranks behind all other surrounding major cities in Florida, and its MSA is the least economically diverse MSA in the state. In addition, the County has suffered the loss of high quality, high paying jobs, including more than 740 jobs since Hurricane Irma as documented by WARN Notices. Many of these jobs were in manufacturing and professional services industries such as the loss of manufacturer Transitions Optical and hundreds of jobs shed by information and measurement company Nielsen. The new incubator will focus on the target industries of Pinellas County that will provide diversity and opportunities for higher pay and full-time employment for residents of the region.

B.4. Applicant's capability

Briefly describe the applicant's capability to administer, implement, and maintain the project.

Pinellas County Government provides the stability and capabilities needed to make this project a success ensuring its moves quickly and opens on time. Considerable planning has already occurred to ensure development of a sustainable facility with a management and feasibility plan focused on achieving incubator self-sufficiency. Pinellas County has managed 226 grants over the past five years totaling more than \$92 million. The Office of Management and Budget includes a Grants Center of Excellence to oversee all grant management activities. The Real Estate Management (REM) Department has a team of architects and construction administrators that have extensive experience with successful projects similar to the

construction of the proposed facility. Recent successful projects include the Pinellas County Emergency Responders Building, an 85,000 sq. ft., CAT 5, state of the art, LEED Silver certified operations center; the Pinellas County Public Safety Campus, a CAT 5, \$81M, 230,000 sq. ft. facility; and the Courts Consolidation Project, a current \$75M two-phase design/build project that includes a 77,000 sq. ft. Court Administration annex. The REM department currently manages over 5.4 million square feet of office and other facilities throughout Pinellas County. Pinellas County has an extensive history of supporting the TBIC incubator originating in 2003 when it was provided space for staff and incubator clients at the County-owned STAR Center. TBIC continued to expand at the STAR Center until it relocated to downtown St. Petersburg in 2014. In August 2018, the County relocated the TBIC incubator into another larger County-owned facility in downtown St. Petersburg at a nominal rent cost to ensure its operations through the design and construction process for the proposed facility. The County has also financially supported TBIC through an annual economic development funding agreement since 2010.

B.5. List and describe the strategic partners and organizations to be engaged in this project

Pinellas County, Florida is the lead applicant for the proposed project and will design, construct, own and maintain the facility. STAR-TEC Enterprises, Inc. dba Tampa Bay Innovation Center (TBIC) is a 501(c)3 nonprofit Florida Corporation that has been providing incubation services in Pinellas County for 15 years, and will operate and manage the incubator. The 2.5-acre site is being made available for this project by the City of St. Petersburg. Private sector engagement will be spearheaded by the TBIC which brings mentors, investors and advisors to facilitate business development. The project's census tract has been designated a federal Opportunity Zone which will drive further private sector investment to this project. Numerous agencies support the project and letters of support are included in the attachments to this application.

B.6. Describe the investment (project) impact and fit with EDA funding priorities

The incubator project aligns directly with the EDA's Recovery & Resiliency investment priority. A more resilient economy in Pinellas County will require new industries and economic activity that create higher paying, full-time jobs and businesses less likely to decline dramatically after natural disasters like Irma. The incubator represents a regional approach to diversify the economy by incubating and accelerating businesses within industries such as information and computing, analytics, healthcare, life and marine sciences, and advanced manufacturing which create more high-quality, high-wage jobs. Building out a more entrepreneurial, diversified, and resilient economy would be a significant boon to the Pinellas County region as it would help it to become a higher wage and more innovative region. Job creation and retention will come from the growth of these clients into competitive businesses allowing the region to globally compete.

B.7. Identify the proposed time schedule for the project

The facility design is expected to take twelve to sixteen months to complete, and construction will take up to twenty months, allowing the project to be completed within the EDA's three year time frame.

B.8. Economic impacts of the project

B.8.a. Please describe the economic impacts of the project:

Three strongly positive economic impacts will accrue from this project. First, it will help diversify the region's economy, because the incubator will focus on the targeted industries of Pinellas County, none of which are tourism or real-estate dependent. The incubator also will allow the region to diversify into these industries via small business creation and growth, not by resorting to a "zero sum" strategy of only recruiting/relocating existing firms from other regions. In 9 years, assuming 3 cycles of incubator tenants due to graduation, it is estimated that the project will create and grow about 150 companies, with combined 9 year revenues of over \$1,000 million. Second, it will create and sustain higher paying jobs through creation and growth of entrepreneurs in the Pinellas County targeted industries. Based on 2016 County Business Patterns, Applicant determined the project would have average salary of about \$54,000, versus the average salaries in tourism and real estate of only \$29,000. Third, the project will have natural disaster resiliency, through its design to operate during and immediately after natural disasters like Hurricane Irma, which will allow client companies to sustain operations and jobs despite such disasters. Further resiliency will come from impacting other commercial & industrial development that is expected to learn from and emulate the project's design to withstand and function after natural disasters like hurricanes.

B.8.b. Please identify the total estimated jobs and private investment that is expected to be generated by this project:

Estimated Jobs Created	Estimated Jobs Retained	Estimated Private Investment
1,265	0	\$127,200,000.00

B.8.c. Please identify the source of Estimates above (check as many as apply):

- ☐ Letters from Beneficiaries of the Project
- ☒ Input/Output Model (e.g. IMPLAN, REMI)
- ☒ Comparison to Similar Projects
- ☒ Other Method (specify below)

The source is the "Revised Estimates of TBIC Incubator Economic Impact" attached to this application, prepared by Greenwood Consulting Group, Inc. (GCGI) a third party that prepared the original and updated feasibility studies. GCGI used a comprehensive 2016 economic impact study of the Univ of Central Florida's Business Incubator Program, also included in the attachment. GCGI estimates that by Year 4, the incubator will be sustaining 1,265 jobs and generating \$127 million in revenue annually.

B.9. Beneficiaries of the project

Beneficiary Name	NAICS Code	Estimated Jobs Created	Estimated Jobs Retained	Estimated Private Investment
Total				

B.10. Non-EDA funding for the project

B.10.a. Are all non-EDA funds committed to the project, available as needed, and not conditioned or encumbered in any way that would preclude their use consistent with the purpose of the project?

☒ Yes ☐ No (explain below)

B.10.b. Identify the source, nature and amount of all non-EDA funds.

Source	Amount	Date Available	Type	Restriction/Comments
General Fund and/or Penny for Pinellas Infrastructure Sales Surtax	\$3,000,000.00	09/01/2018	Cash	None

B.10.c. Does the applicant plan to seek other federal financial assistance as part of or in connection with this project? If so, please describe the source, amount and any terms and conditions of the funding, and when the funding will be available for use by the applicant.

☐ Yes (explain below) ☒ No

B.10.d. Please attach documentation confirming non-EDA (matching or cost share) funding:

Pinellas County Funding Mat

Add Attachment

Delete Attachment

View Attachment

B.11. Justification for sole source procurement

Will you contract work to complete part or all of this project?

☐ B.11.a. No

☒ B.11.b. Yes If yes, will contracts be awarded by competitive bid?

☒ B.11.b.i. Yes

☐ B.11.b.ii. No

If contracts will not be awarded by competitive bid, please provide a justification. A cost analysis will be necessary when adequate price competition is lacking, and for sole source procurements.

B.12. Equipment

Will any funds be used to purchase equipment?

☒ B.12.a. No

☐ B.12.b. Yes

If yes, will project funding be used to install the equipment?

☐ Yes

☐ No

Please attach a list, including cost, description, purpose, and estimated useful life of any equipment that will be purchased as a part of this project.

Add Attachment

Delete Attachment

View Attachment

C. Regional Eligibility

C.1. Region

Define the area/region that is the basis for the applicant's claim of eligibility. EDA will review and evaluate documentation submitted by the applicant to verify and determine eligibility.

The region is Pinellas County and the basis for eligibility is Special Need as defined in 13 CFR 300.3. Pinellas County qualifies under both (1) Natural or other major disaster or emergencies: and (2) Closing or restructuring of an industrial firm or loss of a major employer. Pinellas County is included in FEMA-4337-DR, a major disaster designation declared on September 10, 2017. And, since Hurricane Irma in September 2017, Pinellas County has lost 741 jobs in the manufacturing, and professional, scientific and technical and transportation and warehousing industries. Documentation to support these claims of eligibility is attached.

C.2. Source of data provided for regional eligibility determination

Check the box denoting what data source you used to establish eligibility:

☐ C.2.a. The most recent ACS data published by the U.S. Census Bureau.

☐ C.2.b. The most recent other federal data for the region in which the project is located (e.g., U.S. Census Bureau or the Bureaus of Economic Analysis, Labor Statistics, Indian Affairs, etc.).

☐ C.2.c. If no federal data are available, the most recent data available through the state government for the region in which the project is located.

☒ C.2.d. Other data to substantiate regional eligibility based on a "Special Need" as defined in 13 C.F.R. § 300.3.

Please attach a copy of the documentation used to support your claim of eligibility:

Add Attachment

Delete Attachment

View Attachment

C.3. Economic Distress

Check all that apply in establishing regional eligibility (see FFO for more details):

☐ **C.3.A. Unemployment rate**

☐ **C.3.B. Per capita income**

☒ **C.3.C. Special need**, including:

- ☐ Substantial out-migration or population loss;
- ☐ Underemployment; that is, employment of workers at less than full-time or at less skilled tasks than their training or abilities permit;
- ☐ Military base closure or realignment, defense contractor reductions-in-force, or U.S. Department of Energy defense-related funding reductions;
- ☒ Natural or other major disasters or emergencies;
- ☐ Extraordinary depletion of natural resources;
- ☒ Closing or restructuring of an industrial firm or loss of other major employer;
- ☐ Negative effects of changing trade patterns; or
- ☐ Other circumstances set forth in the applicable FFO (please explain below).

C.4. Substantial direct benefit

If the project does not meet any of the criteria above, is it located in an Economic Development District (EDD), and will it provide substantial direct benefit to residents of an area within that EDD that does meet the distress criteria?

☐ Yes

☐ No

Which Economic Development District?

Please explain how the proposed project will provide a substantial direct benefit to this geographic area within the EDD.

D. Budget and Staffing

To be completed by applicants for non-construction assistance only

D.1. Budget justification

D.2. Indirect costs

D.3. Key applicant staff

E. Administrative Requirements

E.1. Civil rights

E.1.a. Does the applicant understand and agree to comply with all applicable civil rights requirements (see 13 C.F.R. § 302.20)?

☒ Yes ☐ No (explain below)

E.1.b. Do identified "Other Parties," businesses that will create and/or save fifteen or more jobs as a result of the EDA project, understand and agree to comply with all applicable civil rights requirements, including the requirement to provide signed assurances of compliance (ED-900B)?

☒ Not Applicable (No Other Parties Identified) ☐ Yes ☐ No (explain below)

E.2. Lobbying certifications

Will you be able to comply with federal requirements regarding lobbying?

☒ Yes ☐ No (explain below)

E.3. Compliance with Executive Order 12372, State Single Point of Contact (SPOC)

Does the state in which the project will be located have a project review process that requires submission to a Single Point of Contact (SPOC)?

☐ E.3.a. No. Go to Question E.4

☒ E.3.b. Yes

If Yes, does this request for EDA investment assistance meet the SPOC process established by the state?

☐ E.3.b.i. No ☒ E.3.b.ii. Yes

Please explain why not

If Yes, were SPOC comments/clearance received?

☒ E.3.b.ii.a. Yes

Please attach the comments/clearance:

Florida Clearinghouse - TBI

Add Attachment

Delete Attachment

View Attachment

☐ E.3.b.ii.b. No. The review period has expired and no comments were received.

☐ E.3.b.ii.c. No. Comments have been requested but the review period has not yet expired.

Please attach evidence of your request for comments:

Add Attachment

Delete Attachment

View Attachment

E.4. Single Audit Act Requirement

E.4.a. Does the applicant understand and agree to the requirements of subpart F of 2 C.F.R. part 200 regarding federal audits?

☒ Yes

☐ No

E.4.b. Is the applicant currently audited under the Single Audit Act?

☐ E.4.b.i. No

☒ E.4.b.ii. Yes, If yes:

E.4.b.ii.a. What is the date of the most recent audit?

03/07/2018

E.4.b.ii.b. Was this audit submitted to the Federal Audit Clearinghouse?

☒ Yes

☐ No

F. Requirements for Non-Governmental Applicants (Excluding Public Universities and Certain District Organizations)

As indicated below, non-governmental applicants (excluding public universities and district organizations) must also provide a copy of the following items, either using the Attachments form that is part of the application package downloaded from www.Grants.gov or providing a hard copy.

- F.1. Non-profit organizations must provide a current Certificate of Good Standing from the State in which they are incorporated.

[Add Attachment](#)[Delete Attachment](#)[View Attachment](#)

- F.2. New non-profit organization applicants must provide their Articles of Incorporation and By-Laws. Non-profits with an active EDA grant must either provide a) a revised copy of their Articles of Incorporation or By-Laws if these have been amended or b) a statement certifying that there has been no change in the organization's Articles of Incorporation or By-Laws.

[Add Attachment](#)[Delete Attachment](#)[View Attachment](#)

- F.3. Non-profit organizations must provide a resolution passed by a general purpose political subdivision of a State (e.g., local government entity) or a letter signed by an authorized representative of a local government acknowledging that the applicant is acting in cooperation with officials of the political subdivision. EDA may waive this requirement for certain projects of significant regional or national scope (see 13 CFR § 301.2(b)).

[Add Attachment](#)[Delete Attachment](#)[View Attachment](#)

- F.4. If applying for a construction or RLF investment, an applicant must afford the appropriate general purpose governmental authority a minimum of 15 days to review and comment on the proposed project (13 CFR § 302.9(a)).

Will the applicant be able to provide these comments?

☐ Yes

☐ Not applicable, because the applicant is not applying for a construction or RLF grant

☐ Not applicable, because this requirement has been satisfied under an existing RLF plan

☐ No, for another reason (explain below)

Instructions for Form ED-900

A. Applicant Information

A.1. EDA Application Identifier – If EDA has previously provided an identifier for your proposal/application, please enter that identifier here. Otherwise, leave blank.

A.2. Please identify all applicants for this project:

The Lead Applicant should be the party who is responsible for handling disbursement of funds and reporting to EDA.

Note that Sam.gov registration is required of all EDA applicants and awardees. Please list the relevant CAGE Code and SAM.gov expiration data for all applicants and co-applicants (if any).

B. Project Information

B.1. Define and describe the region in which the investment (project) is located

Clearly and concisely describe the region where the project will be located, including the specific geographic location of the project within the region, as well as background on the assets of the area, which may include clusters, and workforce, physical, educational and financial infrastructure.

B.2. Describe and outline the scope of work for the proposed EDA investment

List specific activities that will be undertaken and the specific deliverables that will be produced as a result of this investment. The description of the proposed project must include a clear statement of the overall purpose of the project, and key milestones and an associated schedule for when the project could start, when key milestones could be achieved, and when the project is anticipated to be completed.

Applicants for construction assistance (including design and engineering assistance) should also include a statement of project components. Indicate if the proposed project involves the construction of a new facility or facilities or the enlargement, expansion, renovation, or replacement of an existing facility or facilities. Describe the existing facility and proposed project components in terms of dimensions, capacities, quantities, etc.

Applicants for Partnership Planning Assistance should provide a narrative on the economic development activities that will be undertaken including managing and maintaining the CEDS process.

Applicants for Short Term Planning Assistance should provide a narrative explaining how the proposed scope of work will enhance economic development planning capacity of the identified region. Include any relationship or collaboration with other public and private entities. Please explain how the strategy will expand the capacity of public officials and economic development organizations to work effectively with employers and enable the region to plan and coordinate the use of available resources to support economic recovery and the development of a regional economy and/or develop innovative approaches to economic revitalization in the region.

Applicants for State Planning Assistance should provide a narrative outlining the proposed scope of work for the project. Include the relationship to any existing CEDS or similar planning processes in the region and the goals and objectives of the proposed project.

B.3. Economic development needs

Except for grants to fund developing, updating or refining a CEDS as described in 13 C.F.R. § 303.7, the region in which Public Works or Economic Adjustment projects will be located must have a CEDS with which the project is consistent.

B.3.a. Does the region in which the project will be located have a Comprehensive Economic Development Strategy (CEDS)?

If Yes, what is the source? *Note: If you are unsure if your region has a CEDS, please contact your local District Organization. In areas without a District Organization, CEDS may also be obtained at the City, County, or State level.*

If No, then please check one of the indicated options:

B.3.a.i. There is an alternate strategic planning document that will govern this investment. Please identify the strategy and provide a copy of this planning document, either by attaching the document to this application or submitting a hard copy.

B.3.a.ii. This investment is to create a strategy plan to develop, update or refine a CEDS. Please explain how the strategy will expand the capacity of public officials and economic development organizations to work effectively with employers and enable the region to plan and coordinate the use of available resources to support economic recovery and the development of a regional economy and/or develop innovative approaches to economic revitalization in the region.

B.3.b. Briefly describe the economic conditions of the region described in B.1, as well as the economic adjustment problems or economic dislocations the region has experienced (or is about to experience) and the regional impact of these conditions. How does the project address the economic development needs of the region and the goals and objectives of the CEDS for the region or the alternate strategic planning document described in section b below? See 13 C.F.R. part 303.

B.4. Applicant's capability

Briefly describe the applicant's capability to administer, implement, and maintain the project.

B.5. List and describe strategic partners and organizations to be engaged in this project

Describe existing regional partnerships (if any) that are directly engaged in supporting the proposed project, including a discussion of the extent of participation of government agencies, private sector interests, education providers, non-profits, community and labor groups, workforce boards, utilities, etc.

B.6. Describe the investment (project) impact and fit with EDA funding priorities

Concisely document how the proposed project aligns with one or more of EDA's investment priorities. Applicants that propose projects that do not align with EDA's investment priorities will not be as competitive as those that do. Applicants are strongly encouraged to review EDA's investment priorities, as outlined in the applicable Federal Funding Opportunity (FFO) announcement on www.Grants.gov.

B.7. Proposed time schedule for the project

Provide a proposed time schedule for completion of the project, including when (month/year) the project will begin and end. Explain any potential issues that could affect project implementation.

B.8. Economic impacts of the project

Provide a clear and compelling justification for the long-term potential economic impact of the proposed project, through anticipated job creation or retention, private investment leveraging, number of businesses or collaborations supported, or other appropriate measures. All job and private investment estimates should reflect the anticipated impact within nine years of the potential EDA investment. Applicants must attach letters of commitment from any identified beneficiaries.

For all other measures, applicants should clearly identify the expected time frame. In all cases, applicants must document the benefit and provide third-party data or information available to support these claims.

B.9. Beneficiaries of the project

If applicants have identified specific private sector employers that are expected to create and/or save jobs as a result of the project, applicants should list those beneficiaries in the table provided. All job and private investment estimates should reflect the anticipated impact within nine years of the potential EDA investment.

NAICS Code: The NAICS code for the major industry category of the beneficiary company (see www.naics.com for a searchable list).

Jobs Created: The number of jobs that the company expects to create as a result of the project.

Jobs Retained: The number of jobs that the company expects to retain as a result of the project.

Private Investment: The amount of private investment that the company expects to make in its business/ community as a result of the project.

Form ED-900B must be completed by each beneficiary that expects to create and/or save fifteen or more jobs as a result of the project.

B.10. Non-EDA funding for the project

Select the appropriate response to each question. Applicants should identify the source, nature and amount of all non-EDA funds, including in-kind contributions (non-cash contributions of space, equipment, services, or assumptions of debt). Explain the status of all funding commitments, including the date the funds will be available from each source, and describe any conditions or restrictions on the use of such funds. If in-kind contributions are included, explain the basis on which they are valued. If so, please describe the source, amount and any terms and conditions of the funding, and when the funding will be available for use by the applicant. Please attach evidence of commitment from all funding sources. For example, if bonds are contemplated as match, counsel opinion of the applicant's bonding authority and eligibility of the bonds for use as match, along with full disclosure of the type of bonds and the schedule of the applicant's intended bond issue, are required.

B.11. Justification for sole source procurement

Select the appropriate response to each question.

B.12. Equipment

Select the appropriate response to each question.

C. Regional Eligibility

Public Works and Economic Adjustment Assistance projects must satisfy regional eligibility requirements (see FFO for more details). This section will assist EDA in determining if the proposed project satisfies these eligibility requirements.

Planning and Technical Assistance applications: although meeting specific distress criteria is not a prerequisite for funding under these programs, the economic distress level of the region impacted by a project serves as the basis for establishing the EDA share of the total cost of the project and can inform competitiveness.

Please answer all questions completely and accurately and attach explanations and supporting documentation where applicable.

C.1. Region

Clearly define the area/region that is the basis for your claim of eligibility.

C.2. Source of data provided for regional eligibility determination

Check the appropriate box denoting what data source you used to establish eligibility. Please attach data used to establish eligibility.

C.3. Economic Distress

Check all that apply in establishing regional eligibility (see FFO for more details):

C.3.A. Unemployment rate: The project is located in a region that has an unemployment rate that is, for the most recent 24-month period for which data are available, at least one percentage point above the national unemployment rate.

C.3.B. Per capita income: The project is located in a region that has a per capita income that is, for the most recent period for which data are available, 80 percent or less of the national average per capita income.

C.3.C. Special need: The project is located in a region that has experienced or is about to experience a "Special Need" (as defined in 13 C.F.R. § 300.3) arising from actual or threatened severe unemployment or economic adjustment problems resulting from severe short-term or long-term changes in economic conditions, including: Substantial out-migration or population loss; Underemployment, that is, employment of workers at less than full-time or at less skilled tasks than their training or abilities permit; Military base closure or realignment, defense contractor reductions-in-force, or U.S. Department of Energy defense-related funding reductions; Natural or other major disasters or emergencies; Extraordinary depletion of natural resources; Closing or restructuring of an industrial firm or loss of other major employer; Negative effects of changing trade patterns; or other circumstances set forth in the applicable FFO.

C.4. Substantial Direct Benefit

A project located within an Economic Development District (EDD) that is located in a region that does not meet the economic distress criteria set forth in section C.3 above, is also eligible for EDA investment assistance if EDA determines that the project will be of "substantial direct benefit" to a geographic area within the EDD that meets the distress criteria set forth in question C.3 above by providing significant employment opportunities for unemployed, underemployed, or low-income residents of the distressed geographic area within the EDD. If applicable, identify the EDD in which the proposed project will be located, as well as the geographic area within the EDD that meets the economic distress criteria detailed in section C.3., and explain how the proposed project will provide a substantial direct benefit to this geographic area within the EDD. (See FFO for more details.)

D. Budget and Staffing

To be completed by applicants for non-construction assistance only

D.1. Budget justification

Provide a clear budget justification that identifies how funds in each line item of the budget will be utilized to support the proposed project. Explain the proposed use of any amounts budgeted for "Equipment," "Contractual," or "Other," if any, on Form SF-424A, Budget Information - Non-Construction Programs.

D.2. Indirect costs

Explain the types of indirect costs, if any, on Form SF-424A. If there are any indirect costs, please submit a copy of the current Indirect Cost Rate Agreement that your organization has with its cognizant Federal agency.

D.3. Key applicant staff

Identify key applicant staff who will undertake and complete project activities. Include a description of the knowledge, organizational experience, and expertise of individual staff members. In addition, explain how organizational resources will be used to complete project activities. For National Technical Assistance, Training and Research and Evaluation projects, specify which positions will be charged to the federal and non-federal portion of the project budget.

E. Administrative Requirements

E.1. Civil rights

Select the appropriate response, providing an explanation if "no."

E.2. Lobbying certifications

All applicants for federal financial assistance must certify that federal funds have not been used and will not be used for lobbying in connection with this request for federal financial assistance (Form CD-511). If non-federal funds have been or are planned to be used for lobbying in connection with this request for federal financial assistance, Form SF-LLL also must be completed. Applicants must comply with 13 C.F.R. § 302.10 regarding attorneys' and consultants' fees and the employment of expeditors. This regulation requires that applicants identify and disclose the amount of fees paid to anyone engaged to assist the applicant in obtaining assistance under the Public Works and Economic Development Act of 1965 (PWEDA), as amended.

E.3. Compliance with Executive Order 12372, State Single Point of Contact (SPOC)

Select the appropriate response to each question, please attach any comments that have been received. If the comment period has not yet expired or comments were not received, attach evidence of your request for comments.

E.4. Single Audit Act Requirement

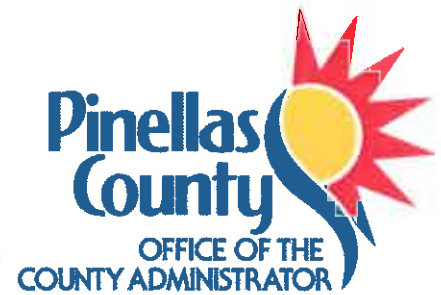
Select the appropriate response to each question.

F. Requirements for Non-Governmental Applicants (Excluding Public Universities and Certain District Organizations)

As indicated, non-governmental applicants must also provide a copy of the requested items, either using the Attachments form that is part of the application package downloaded from www.Grants.gov or submitting a hard copy. Public Universities and Certain District Organizations may be exempt from this requirement, please contact your Regional Office to determine the requirements applicable to your organization.

**BOARD OF COUNTY
COMMISSIONERS**

Jay J. Beyrouth
Dave Eggers
Pat Gerard
Charlie Justice
Janet C. Long
Karen Williams Seel
Kenneth T. Welch



Mark S. Woodard
County Administrator

August 23, 2018

Mr. Greg Vaday, EDA Representative
U.S. Department of Commerce
Economic Development Administration
401 West Peachtree St., NW, Suite 1820
Atlanta, GA 30308

RE: EDA Control No. 112470

Dear Mr. Vaday:

As part of the U.S. Economic Development Administration (EDA) grant application, a local funding match is required. This letter serves as the Pinellas County Board of County Commissioners' commitment to meet the matching fund requirements for the FY 2018 EDA Disaster Supplemental grant.

Name of Funding Source: General Fund and/or Penny for Pinellas Infrastructure Sales Surtax

Funding Type: Cash

The local matching fund requirement is \$3,000,000 and will be available immediately. Matching funds are committed to this project and unencumbered.

Please contact Cindy Margiotta at (727) 464-7398 or cmargiotta@pinellascounty.org if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth T. Welch".

KENNETH T. WELCH, Chairman
Pinellas Board of County Commissioners

cc: Cindy Margiotta, Senior Manager, Economic Development

Pinellas County Administration
315 Court St. • Room 601
Clearwater, FL 33756
Main: (727) 464-3485
FAX: (727) 464-4384
V/TDD: (727) 464-4062
www.pinellascounty.org

TBIC Incubator – Regional Eligibility
Pinellas County EDA Grant Control No. 112470
Form ED-900 C.2.

The region is Pinellas County and the basis for eligibility is Special Need as defined in 13 CFR 300.3.

Pinellas County qualifies under both:

1. Natural or other major disaster or emergencies: and
2. Closing or restructuring of an industrial firm or loss of a major employer.

Pinellas County is included in FEMA-4337-DR, a major disaster designation declared on September 10, 2017. And, since September 2017, Pinellas County has lost 741 jobs in the manufacturing, and professional, scientific and technical and transportation and warehousing industries.

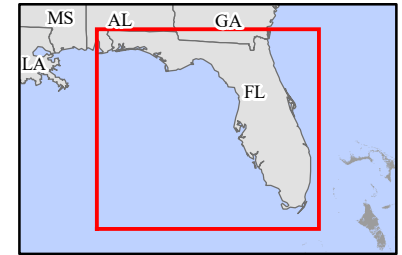
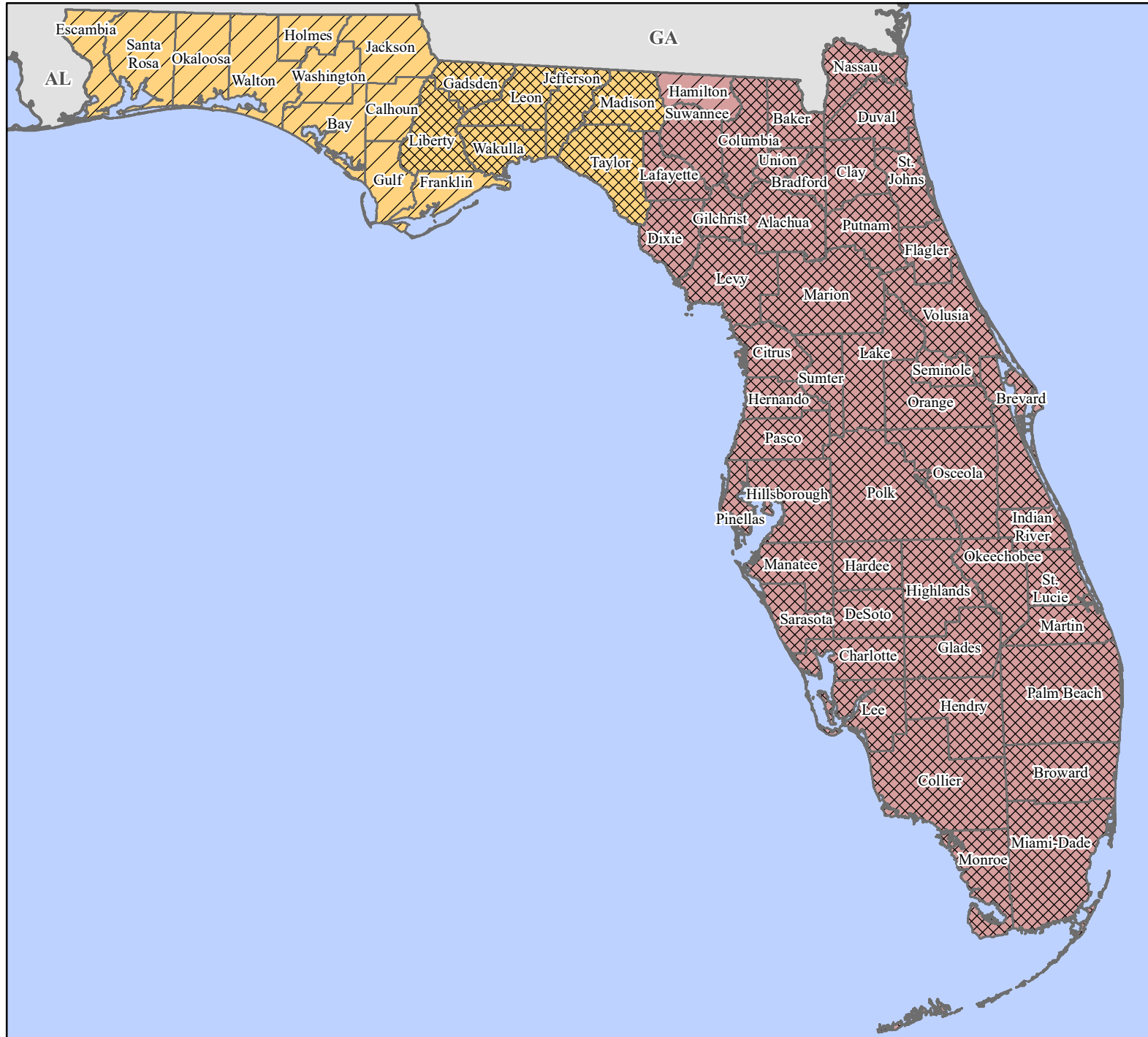
Documentation to support these claims of eligibility follow and include:

1. Map – FEMA-4337-DR, Florida Disaster Declaration as of 01/01/2018
2. State of Florida WARN Notices for Pinellas County dated September 2017 through June 2018.

FEMA-4337-DR, Florida Disaster Declaration as of 01/10/2018







FEMA

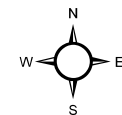


Data Layer/Map Description:
The types of assistance that have been designated for selected areas in the State of Florida.

All designated areas in the State of Florida are eligible to apply for assistance under the Hazard Mitigation Grant Program.

Designated Counties

-  Public Assistance (Categories A and B)
-  Individual Assistance and Public Assistance (Categories A and B)
-  Individual Assistance and Public Assistance (Categories A - G)
-  Public Assistance (Categories A - G)



0 25 50 75 100
Miles

Data Sources:

FEMA, ESRI;
Initial Declaration: 09/10/2017
Disaster Federal Registry Notice:
Amendment #14 - 01/10/2018
Datum: North American 1983
Projection: Lambert Conformal Conic

PINELLAS COUNTY

WARN Notices (Notice Date of September 2017 to June 2018)

741 TOTAL EMPLOYEES AFFECTED

COMPANY NAME	NOTICE DATE	LAYOFF DATE	EMPLOYEES AFFECTED	INDUSTRY
Transdev On Demand, Inc. 11901 30th Court North St. Petersburg, FL 33716	9/18/2017	11/8/2017 thru 11/8/2017	39	Transportation and Warehousing
Transitions Optical, Inc. 9251 Belcher Road Pinellas Park, FL 3378 2	9/29/2017	11/30/2017 thru 11/30/2017	18	Manufacturing
Professional Surveys of Pinellas, Inc. Starkey Lakes Facility 8850 Ulmerton Road Largo, FL 33771	10/18/2017	10/18/2017 thru 11/10/2017	182	Professional, Scientific, and Technical Services
Transitions Optical, Inc. 9251 Belcher Road Pinellas Park, FL 3378 2	1/29/2018	3/31/2018 thru 3/31/2018	3	Manufacturing
Plano Synergy 955 Live Oak Street Tarpon Springs, FL 34689	1/30/2018	3/30/2018 thre 5/31/2018	104	Manufacturing
Transitions Optical, Inc. 9251 Belcher Road Pinellas Park, FL 33782	2/15/2018	4/15/2018 thru 4/15/2018	9	Manufacturing
Transitions Optical, Inc. 9251 Belcher Road Pinellas Park, FL 3378 2	2/20/2018	4/18/2018 thru 4/18/2018	25	Manufacturing
* Nielsen 501 Brooker Creek Blvd. Oldsmar, FL 34677	3/26/2018	5/24/2018 thru 3/30/2019	328	Professional, Scientific, and Technical Services

COMPANY NAME	NOTICE DATE	LAYOFF DATE	EMPLOYEES AFFECTED	INDUSTRY
Transitions Optical, Inc. 9251 Belcher Road Pinellas Park, FL 3378 2	4/10/2018	6/8/2018 thru 6/8/2018	12	Manufacturing
Transitions Optical, Inc. 9251 Belcher Road Pinellas Park, FL 3378 2	5/18/2018	7/16/2018 thru 7/16/2018	12	Manufacturing
Transitions Optical, Inc. 9251 Belcher Road Pinellas Park, FL 33782	6/27/2018	8/31/2018 thru 8/31/2018	9	Manufacturing

* Neilsen total employees affected statewide was 724.

Margiotta, Cindy

From: State_Clearinghouse <State.Clearinghouse@dep.state.fl.us>
Sent: Wednesday, July 11, 2018 2:44 PM
To: Margiotta, Cindy; State_Clearinghouse
Subject: RE: Pinellas County Project

While it is covered by EO 12372, the Florida State Clearinghouse does not select the project for review. You may proceed with your project.

Please send future electronic requests directly to the State Clearinghouse email address, State.Clearinghouse@dep.state.fl.us.

Good Luck.

Chris Stahl

Chris Stahl, Coordinator
Florida State Clearinghouse
Florida Department of Environmental Protection
2600 Blair Stone Road, M.S. 47
Tallahassee, FL 32399-2400
ph. (850) 717-9076
State.Clearinghouse@dep.state.fl.us

From: Margiotta, Cindy [mailto:cmargiotta@co.pinellas.fl.us]
Sent: Wednesday, June 27, 2018 4:03 PM
To: State_Clearinghouse <State.Clearinghouse@dep.state.fl.us>
Subject: Pinellas County Project

Good Afternoon – Pinellas County is preparing a grant application to the U.S. EDA. I am contacting you to determine whether our project must be submitted to the Clearinghouse. I am not certain what information you require, so I am attaching a copy of our application. This has not been approved or signed yet but it will give the background on the project. Please let me know how to proceed. Thanks, Cindy

Cindy Margiotta, cmargiotta@pinellascounty.org
Pinellas County Economic Development
13805 58th Street North, Suite 1-200
Clearwater, FL 33760
(727) 464-7398 direct

[Let us know how we did.](#)

Follow Pinellas County Economic Development



[Pinellas County, Ideal Business Climate – PCED.org](#)
[Subscribe: Pinellas Business News](#)

All government correspondence is subject to the public records law.



ED-900A - Additional EDA Assurances for Construction Or Non-Construction Investments

For **ALL** investments: As a duly authorized representative of the applicant, I further certify that the applicant:

1. Understands that attorneys' or consultants' fees, whether direct or indirect, expended for securing or obtaining EDA investment assistance are not eligible costs. See 13 C.F.R. § 302.10(a).
2. Understands that conflicts of interest or appearances of conflicts of interest are prohibited and may jeopardize this application or result in the forfeiture of investment funds. A conflict of interest occurs, for example, where a representative, official, employee, architect, attorney, engineer, or inspector of the applicant, or a representative or official of the federal, State or local government, has a direct or indirect financial interest in the acquisition or furnishing of any materials, equipment, or services to or in connection with the project. See 13 C.F.R. § 302.17.
3. Will comply with the reporting requirements under the Government Performance and Results Act (GPRA) of 1993 and the GPRA Modernization Act of 2010 (GPRAMA) for measuring and reporting project performance.

For **CONSTRUCTION** investments: As a duly authorized representative of the applicant, I further certify that the applicant:

1. Will operate and maintain the facility in accordance with at least the minimum standards as may be required or prescribed by applicable federal, State and local agencies for the maintenance and operation of such facilities.
2. Will require the facility to be designed to comply with the Americans with Disabilities Act of 1990 (ADA) (42 U.S.C. 12101 et seq.), the Architectural Barriers Act of 1968 (42 U.S.C. 4151 et seq.) and the Accessibility Guidelines for Buildings and Facilities regulations, as amended (36 C.F.R. part 1191), and will be responsible for conducting inspections to insure compliance with these requirements.
3. For the two-year period beginning on the date EDA investment assistance is awarded, will refrain from employing, offering any office or employment to, or retaining for professional services any person who, on the date on which the investment assistance is awarded or within the one-year (1) period ending on that date, served as an officer, attorney, agent or employee of the Department of Commerce and occupied a position or engaged in activities that EDA determines involved discretion with respect to the award of investment assistance under PWEDA. See section 606 of PWEDA and 13 C.F.R. §302.10(b).
4. Will have no facilities under ownership, lease or supervision to be utilized in this project that are listed or under consideration for listing on EPA's List of Violating Facilities.
5. Will comply with Executive Order 12699, "Seismic Safety of Federal and Federally Assisted or Regulated New Building Construction," which imposes requirements that federally-assisted facilities be designed and constructed in accordance with the most current local building codes determined by the awarding agency or by the Interagency Committee for Seismic Safety in Construction (ICSSC) and the most recent edition of the American National Standards Institute Standards A58, Minimum Design Loads for Buildings and Other Structures.

6. Will observe and comply with federal procurement rules, as set forth in 2 C.F.R. part 200, as applicable, for award of any contracts for architectural engineering, grant administration services, or construction financed with EDA investment assistance

For **NON-CONSTRUCTION** investments: As a duly authorized representative of the applicant, I further certify that the applicant:

1. Will comply with applicable regulations regarding indirect cost rates, if indirect costs are included in the application.
2. Will comply with the requirement that this investment assistance will not provide a proprietary benefit to a private individual, for-profit corporation, or other commercial entity.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL

Completed on submission to Grants.gov

TITLE

Chairman, Board of County Commissioners

APPLICANT ORGANIZATION

Pinellas County Board of County Commissioners

DATE SUBMITTED

Completed on submission to Grants.gov



ED-900C – EDA Application Supplement for Construction Programs

A. Metropolitan Area Review

A.1. Projects involving the development of hospitals, airports, libraries, water supply and distribution facilities, sewage and waste treatment works, highways, transportation facilities, water development, or land conservation within a metropolitan statistical area (MSA) require comments from the metropolitan area clearinghouse/agency. Does the proposed project involve any of the above identified developments within an MSA?

☐ Yes ☒ No

A.2. If Yes, please attach either:

- ☐ Comments from the responsible metropolitan area clearinghouse/agency and a statement that such comments have been considered; or
- ☐ An explanation as to why comments are not available; or
- ☐ A statement indicating the date the application was made available to the appropriate metropolitan area clearinghouse/agency and units of general local government for review and certifying that the application has been before the metropolitan area clearinghouse/agency for a period of 60 days without comments or recommendations.

[Add Attachment](#)[Delete Attachment](#)[View Attachment](#)

B. District Organization Project Administration

B.1. Will the District Organization for the region in which the project will be located administer the project for the applicant?

☐ Yes ☒ No

B.2. If Yes, you must certify to all of the following and indicate your certification by checking each box:

- ☐ The administration of the project is beyond the capacity of the applicant's current staff and would require hiring additional staff or contracting for such services;
- ☐ No local organization/business exists that could administer the project in a more efficient or cost-effective manner than the District Organization; and
- ☐ The District Organization will administer the project without subcontracting the work.

B.3. If the project will be administered by the District Organization and you did not certify to all of the above, explain below.

C. Preliminary Engineering Report

To be considered for assistance, all construction and design applications must include a **Preliminary Engineering Report (PER)** that at a minimum provides the following information:

- C.1. Description of project components. Provide a general description of all project components involved in the project. Indicate whether the project involves the construction of new infrastructure or facilities or the renovation or replacement of existing ones. Describe each of the project components in terms of dimensions, quantities, capacities, square footage, etc.
- C.2. A statement verifying that the project components described in the engineering report are consistent with the EDA investment project description that is provided in Section B.2 of Form ED-900. Engineering reports that describe project components that are inconsistent with the EDA investment project description in Section B.2 of Form ED-900 will not be considered valid.
- C.3. Drawings showing the general layout and location of the existing site conditions and of the project components as well as location of any project beneficiary identified in Section B.9 of Form ED-900 that provide economic justification for the project, if any. Rough dimensions and quantities for major project components should be shown and labeled on the drawings. Drawings should clearly identify the project components that are being proposed. Applicants are encouraged to clarify such drawings, for example, through color coding, labeling, and other appropriate methods.
- C.4. A feasibility analysis for the constructability of the project. Include a review of the existing conditions and note particular features, alignments, and circumstances affecting construction of project components.
- C.5. The proposed method of construction. Indicate whether construction procurement will be done through competitive bid or other method. Indicate if any portion of the project is to be done by design/build, construction management at risk, the applicant's own forces, or a third-party construction manager. If an alternate construction procurement method (other than traditional design/bid/build with sealed competitive bid process) is proposed, a construction services procurement plan must be provided to EDA for approval in accordance with EDA's regulation at 13 C.F.R. § 305.6(a).
- C.6. The number of construction contracts anticipated. If multiple contracts are proposed, describe the project components included in each contract. If separate contracts are anticipated for demolition or site work, the budget information cost classification should reflect the estimated costs for these components. If project phasing is proposed, a project phasing request must be provided to EDA for approval per EDA's regulation at 13 C.F.R. § 305.9(a).
- C.7. A current detailed construction cost estimate for each of the project components. Show quantities, unit prices, and total costs and provide a basis for the determination of construction contingencies. The total of this estimate should match the construction line item of the SF-424C.
- C.8. Real property acquisition. If the budget includes costs for acquisition of real property, include a current fair market value appraisal completed by a certified appraiser for the property to be purchased.

- C.9. A list of all permits required for the proposed project and their current status. Identify all permits required; include the timeline to obtain the permits and discuss how the permitting relates to the overall project schedule. If the project crosses a railroad right-of-way or is within a railroad right-of-way, explain any permitting or approvals that may be required from the railroad or other authority and the timeframe for obtaining these permits or approvals.
- C.10. An overall estimated project schedule. This schedule should agree with the project schedule outlined in the ED-900. Include the number of months for each of the following:
- i. design period;
 - ii. period of time to obtain required permits;
 - iii. period of time to obtain any required easements or rights-of-way;
 - iv. solicitation of bids and awarding of contracts, and
 - v. construction period.
- C.11. Overall project budget breakdown. For each “cost classifications” line item that the applicant indicates will be included in the project budget on Form SF-424C, the applicant must provide a breakdown of the proposed project costs and tasks that is consistent with the detailed construction cost estimate for the project provided in the PER.

TBIC Incubator Preliminary

Add Attachment

Delete Attachment

View Attachment

D. Title Requirements

D.1. Does the applicant currently hold title to all project facilities, underlying land, necessary easements, and rights-of-way required for the project?

☐ Yes (go to question D.2) ☒ No (explain below)

D.1.a. If No, does the applicant plan to obtain title?

☐ D.1.a.i. Yes

How and when will the applicant obtain title? (After answering, go to question D.2)

☒ D.1.a.ii. No

Please explain why not

The City of St. Petersburg is the owner of the the property and will convey it to Pinellas County via a lease/purchase agreement. The agreement will include terms and conditions that will allow Pinellas County to satisfy the EDA's regulations. A letter from the Mayor of St. Petersburg confirming this partnership is attached to this application.

D.1.b. If you indicated that the applicant does not currently have title and does not intend to obtain title, does the applicant hold a long-term lease or hold interest in project property for a period not less than the estimated useful life of the project?

☐ D.1.b.i. Yes. Go to question D.2

☒ D.1.b.ii. No. Please explain below how the applicant will satisfy EDA's title regulation at 13 C.F.R. § 314.7.

The City of St. Petersburg is the owner of the the property and will convey it to Pinellas County via a lease/purchase agreement. The agreement will include terms and conditions that will allow Pinellas County to satisfy the EDA's regulations. A letter from the Mayor of St. Petersburg confirming this partnership is attached to this application.

D.2. Will the applicant provide EDA a security interest and/or covenant of use in the real property or significant items of tangible personal property acquired or improved with EDA investment assistance? See 13 C.F.R. § 314.9.

☒ Yes ☐ No (explain below)

D.3. Will real property or project facilities to be acquired or improved with EDA investment assistance, including any industrial or commercial park acreage, be mortgaged or used to collateralize any type of financing, including but not limited to bonds or tax credits, or is any real property to be used for the project currently mortgaged or being used as collateral?

☐ Yes (explain below) ☒ No

D.4. Describe any required State permits, easements, rights-of-way or leases necessary to construct, operate, and maintain the project.

D.5. Describe any liens, mortgages, other encumbrances, reservations, reversionary interests or other restrictions on the applicant's interest in the property.

None

D.6. Is the project located on a military or Department of Energy installation that is closed or scheduled for closure or realignment?

☐ Yes ☒ No

D.7. Does the project involve construction within a railroad's right-of-way or over a railroad crossing?

☐ Yes (explain below) ☒ No

D.8. Does the project include construction of a highway owned by a State or local government (other than the applicant)?

☐ Yes (explain below) ☒ No

E. Sale or Lease

E.1. Does the applicant intend to sell, lease, transfer, dedicate or otherwise convey any interest in the project facilities, underlying land, or any land improved with EDA investment assistance?

☐ Yes (explain below) ☒ No

E.2. Is the purpose of the project to construct facilities to serve an industrial or commercial park or sites owned by the applicant for sale or lease to private parties?

☒ No ☐ Yes

Identify the owners of the acreage, provide an estimate of the number of acres benefiting from the proposed investment and explain how EDA's requirements will continue to be met after any sale or lease.

Note: Applicants may be asked to provide documentation that EDA's requirements will continue to be met after the sale or lease of project property.

E.3. Is the purpose of the project to construct facilities to serve a privately owned industrial or commercial park or sites for sale or lease?

☒ No

☐ Yes

If Yes, identify the owners of the acreage, estimate the number of acres benefiting from the proposed investment, and explain below how EDA's requirements will continue to be met after the sale or lease. Note that certain EDA requirements attached to the property will survive any sale or transfer of the property. In addition, EDA may require evidence that the private party has title to the park or site prior to such sale or lease and condition the award of investment assistance upon assurances given by the private party that EDA determines are necessary to ensure consistency with the project purpose. See 13 C.F.R. § 314.3(c) and § 314.7.

E.4. For privately owned land improved by the proposed project, is the private owner willing to enter into an agreement to limit the sale price of the improved land to its fair market value before the improvements for a reasonable period of time?

☐ Yes (explain below) ☒ No/Not applicable (no private owners)

E.5. Is the purpose of the project to construct, renovate or purchase a building?

☒ Yes (explain below) ☐ No

The purpose of the project is to construct an incubator facility.

E.5.a. Will the building be leased in whole or in part?

☒ Yes (explain below) ☐ No

The entire building will be leased to the operator of the incubator through a long term lease.

E.5.b. Is the purpose of the building to provide incubator space to new companies?

☒ Yes (explain below) ☐ No

The building will be a purpose-built incubator and will provide space to multiple incubator clients, which is more fully explained in the incubator feasibility study.

E.5.c. Will there be limitations on the length of the lease term?

☒ Yes (explain below) ☐ No

The building will be a purpose-built incubator and will provide space to multiple incubator clients, which is more fully explained in the incubator feasibility study.

E.5.d. Is the purpose of the project to provide building space to a single user or multiple users?

☒ Yes ☐ No

E.5.e. Explain below the terms of any proposed lease.

There will be long term lease between Pinellas County and the incubator operator, TBIC. The TBIC will have incubator client leases as further explained in the feasibility study.

F. State Historic Preservation Requirements

Have comments from the appropriate State Historic Preservation Officer (SHPO) already been received?

☐ Yes (attach comments) ☒ No

Add Attachment

Delete Attachment

View Attachment

Note: If comments have not already been received, the applicant will be required to submit materials to SHPO. Regardless of whether the applicant believes historic or archaeological artifacts are present, the applicant will be required work with its SHPO. Specific requirements for states' SHPOs can generally be found on their websites. Applicants can also request additional information from EDA Regional Offices.

Please note that the SHPO clearance process can be lengthy. When submitting this material to the SHPO, the applicant must request that the SHPO submit comments on the proposed project to the EDA Regional Office processing the application.

G. National Environmental Policy Act (NEPA) Requirements

G.1. Please attach an environmental narrative and applicant certification clause using the template found on www.eda.gov.

TBIC Incubator Environmenta

Add Attachment

Delete Attachment

View Attachment

Federal agencies are required by law to assess the expected environmental impacts associated with proposed federal actions. Depending on its analysis of information submitted by the applicant, EDA may request additional information to better understand the current environmental conditions and the project elements that will affect the environment.

Comprehensive information is required to complete an environmental review in accordance with NEPA. Information must be provided for the:

- (i) site where the proposed project facilities will be constructed and the surrounding areas affected by its operation; and
- (ii) areas to be affected by any primary beneficiaries of the project.
- (iii) The information submitted must be sufficient to evaluate all reasonable alternatives to the proposed project and the direct and indirect environmental impacts of the project, as well as the cumulative impacts on the environment as defined in the regulations for implementing the procedural provisions of NEPA. See 40 C.F.R. parts 1500-1508.

The level of detail should be commensurate with the complexity and size of the project and the magnitude of the expected impact. Previously completed environmental impact documentation (assessments, impact statements, etc.) for activities in the region in which the proposed project will be located may be used as documentation.

H. Business Incubators and Accelerators

Does the applicant intend to construct or renovate a business incubator, accelerator, commercialization center, or similar project?

☐ No

☒ Yes

Please attach a feasibility study demonstrating the need for the Project and an operational plan based on industry best practices demonstrating the Eligible Applicant's plan for ongoing successful operations. See the applicable FFO for additional information and guidance.

TBIC Feasibility Report Upd

Add Attachment

Delete Attachment

View Attachment

TBIC Incubator
EDA Grant Control No. 112470
Preliminary Engineering Report

C.1. Description of Project Components

The project is the construction of a new 45,000 square foot facility to house the Tampa Bay Innovation Center business incubator. This is proposed to be a split level, two-story structure with an atrium. Parking will be under a portion of the building and also at the rear of the property. The facility will include approximately 30,000 square feet of client space, plus co-working/collaboration space, office space and a conference/community room.

Western Elevation:



Southeastern Elevation:



Main Entrance/Atrium:

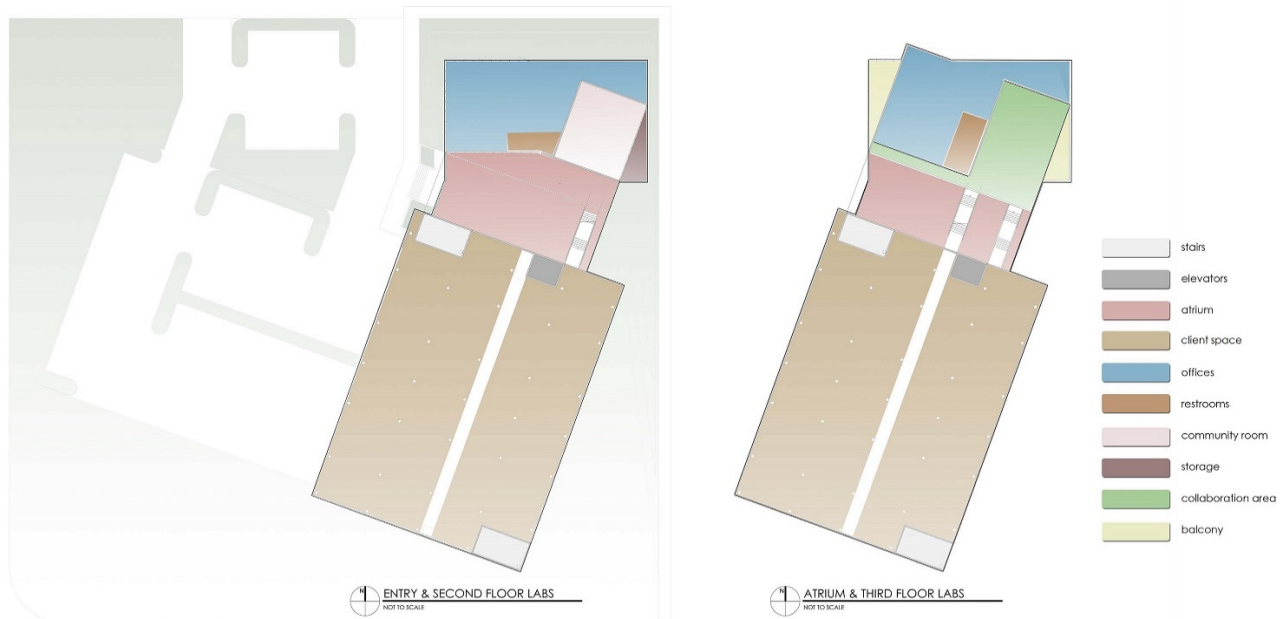


C.2. Verifying Statement

The project components described in this engineering report are consistent with the EDA investment project description that is provided in Section B.2 of Form ED-900.

C.3. General Layout and Location of Existing Site Conditions

General Layout:



Surface parking is located on the western side of the property and on the ground level beneath the two story client area. The entry level is raised above the flood plain and includes a lobby, office space and the community room. The floor immediately above the entry area contains the upper atrium, additional offices and the co-working/collaborative area. The two-story client floors are a half-story above the entry/atrium floors. Access to the site is only from Eleventh Avenue South.

SITE & BUILDING DATA**LAND USE**

TOTAL GROSS SITE AREA	109,141 SF	2.51 ACRES
BASE FLOOD ELEVATION	AE-8	
NONRESIDENTIAL INTENSITY	1.0 FAR	
MAXIMUM IMPERVIOUS SURFACE	0.95	

REQUIRED PARKING

30000 GSF	75 CARS
45000 GSF	112.5 CARS

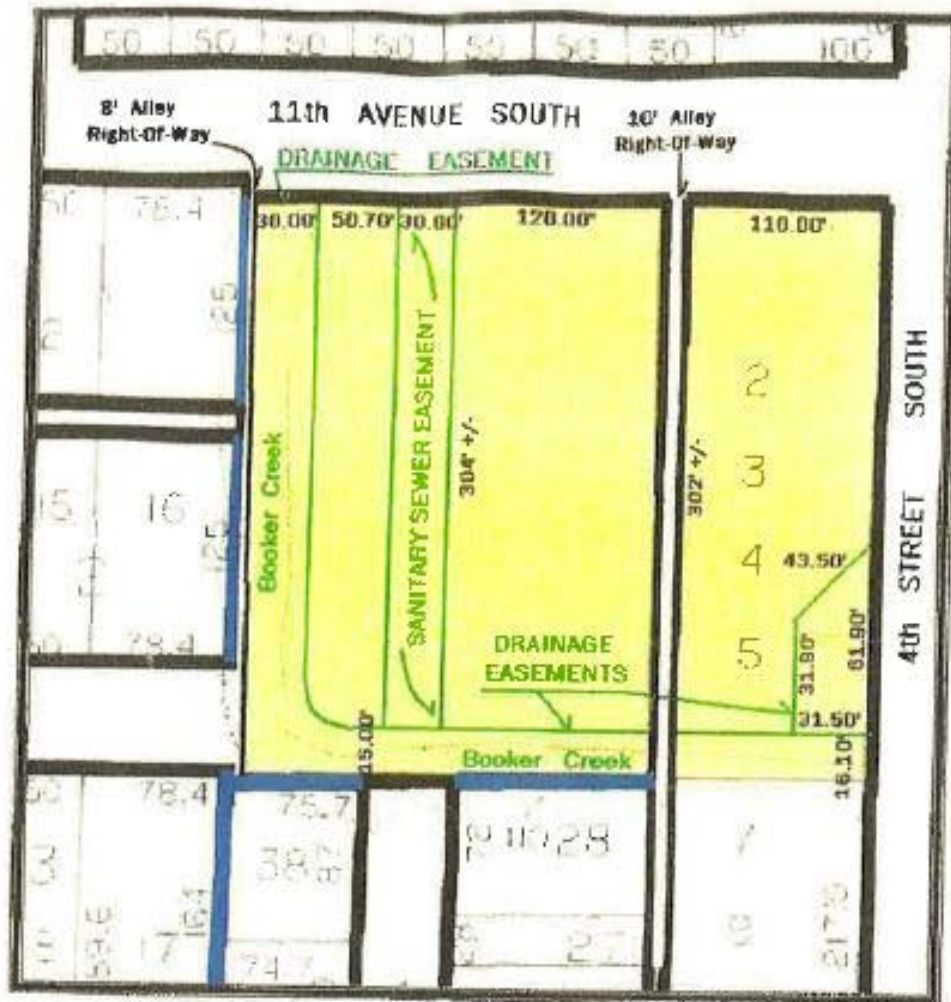
PARCEL

	EASTERN PARCEL	WESTERN PARCEL
ZONING	CCT-1	NSM-1
USABLE AREA	31,726 SF	52,215 SF
SETBACK		
FRONT YARD	0' FROM PROP. LINE / 10' FROM CURB, WHICHEVER GREATER	
REAR YARD	0' - WITH ALLEY, 10' - NO ALLEY	
SIDE YARD, STREET	0' FROM PROP. LINE / 5' FROM CURB, WHICHEVER GREATER	
SIDE YARD, INTERIOR	0'	

BUILDING

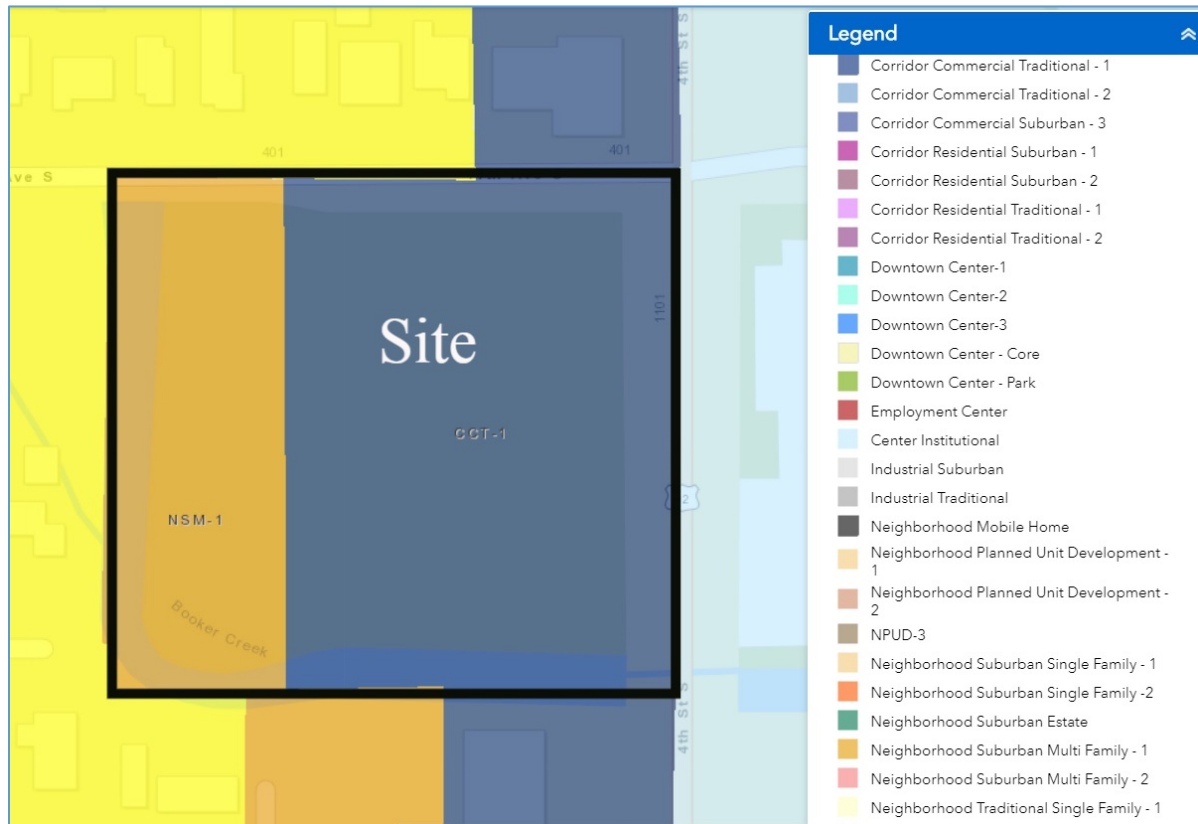
OCCUPANCY TYPE:	BUSINESS	
MAXIMUM HEIGHT	84 FT	LARGE LOT (> 2 ACRES)

Parcel Map/Easements:



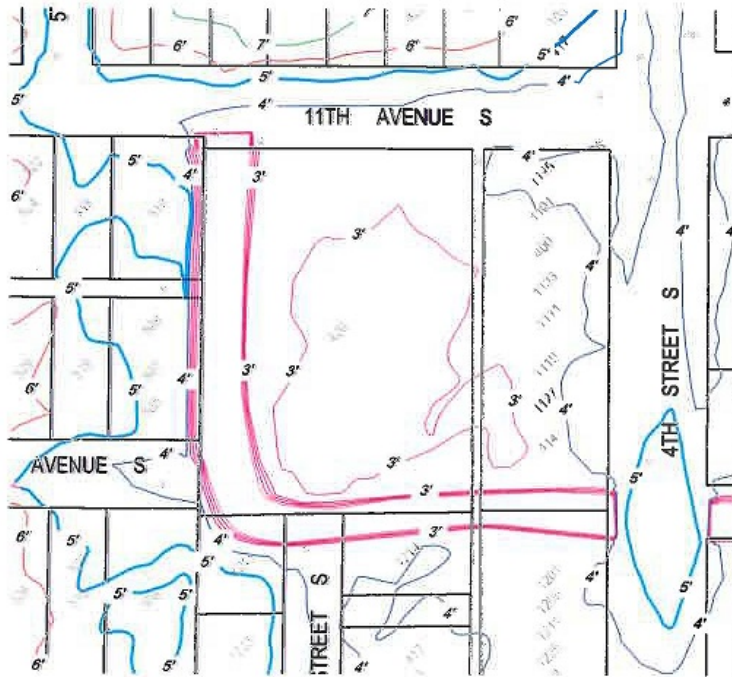
The site is located on the southwest corner of Fourth Street South and Eleventh Avenue South in the City of St. Petersburg. The Booker Creek waterway runs along the western and southern edge of the site. The alley shown on the plat was never actually constructed. The thirty foot wide sanitary sewer easement begins 240 feet west of Fourth Street.

Zoning:

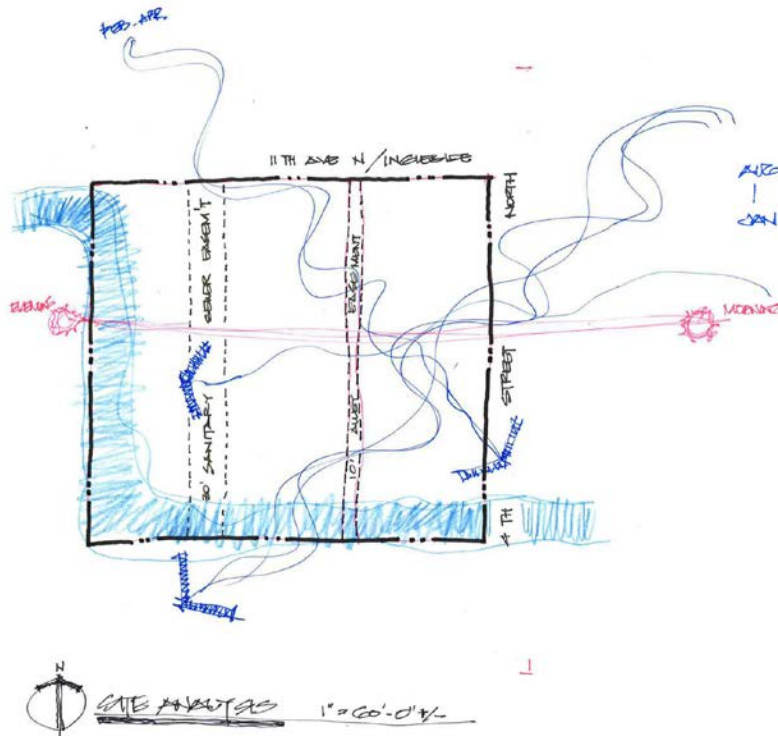


The western one-third of the property is zoned Neighborhood Suburban Multi-Family (NSM-1). The eastern two-thirds is zoned Commercial Corridor Traditional (CCT-1).

Topography:



Seasonal Prevailing Winds and Sunshine:



C.4. Feasibility Analysis for Constructability of the Project

The municipality (City of St. Petersburg) in which the new facility will be constructed, has confirmed the feasibility of constructability based on the size of the proposed facility compared to the available land, land use, and zoning.

The alley only exists on the plat, and the right-of-way will be vacated as part of the process of acquiring the land from the City. The facility will be oriented so as to keep all structures off of the sanitary sewer and drainage easements and within the CCT-1 zoning category. The City has stated that they would support a variance to allow for parking on the NSM-1 portion of the site.

A significant portion (42%) of Pinellas County's land area is located within a 100-year floodplain. We plan to use this facility as a pilot project to show other developers in the area how to construct buildings and other infrastructure to be sustainable and resilient in this environment. The facility will be constructed such that the lowest occupied floor and all supporting equipment are well above the floodplain and will meet all floodplain construction requirements of local ordinances. It will also be built to withstand the high winds associated with extreme weather events in our region.

C.5. Proposed Method of Construction

Construction procurement will be done through a competitive bid, based on signed and sealed construction documents (plans and specifications). The method of construction will be design/bid/build.

C.6. Number of Construction Contracts

One construction contract with the general contractor is anticipated for this project.

C.7. Detailed Construction Cost Estimate

COST CLASSIFICATION	COST
Architectural and Engineering Fees	\$825,000
Construction Contractor	
Permit Fees	\$50,000
General Liability Insurance	\$40,000
Payment and Performance Bond	\$80,000
Overhead and Profit	\$548,000
Contractor's Contingency	\$498,000
TOTAL	\$2,041,000
Construction Divisions	
Division 1 (General Conditions)	\$584,000.00
Division 2 (Site Construction)	\$950,000
Division 3 (Concrete)	\$887,000.00
Division 4 (Masonry)	\$235,000.00
Division 5 (Steel)	\$1,460,000.00
Division 6 (Wood & Plastics)	\$56,000.00
Division 7 (Moisture Protection)	\$610,000.00
Division 8 (Doors and Windows)	\$1,775,000.00
Division 9 (Finishes)	\$887,000.00
Division 10 (Specialties)	\$47,000.00
Division 14 (Conveying Systems)	\$167,000.00
Division 15 (Plumbing Systems)	\$1,205,000.00
Division 16 (Electrical Systems)	\$1,096,000.00
TOTAL	\$9,959,000
GRAND TOTAL	\$12,000,000

Note: Contingency is 5% of Construction Divisions Total

C.8. Real Property Acquisition

The County and the City of St. Petersburg will enter into a land lease/purchase agreement for property on which to construct the facility. The property is currently owned by the City and will convey to the County following final permitting and start of construction. No acquisition costs are included in the budget.

C.9. Permits Required for the Proposed Project

Expected required permits include:

City of St. Petersburg Building Permit

City of St. Petersburg Tree Removal Permit (may not be required, as most of the protected trees are currently on the edges of the property and would likely remain).

Southwest Florida Water Management District Environmental Resource Permit

Involves permitting and construction of an onsite stormwater facility.

The permits are expected to be obtained within the three-month permitting period outlined in the Estimated Project Schedule below. The project does not involve any railroad right-of-way.

C.10. Estimated Project Schedule

	2019												2020												2021												
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
Design Phase																																					
Selection of architect																																					
Design																																					
Schematic design																																					
Design development																																					
Construction documents																																					
Construction Phase																																					
Bidding/Award																																					
Permitting																																					
Construction																																					
Punch List/Close-Out																																					

No new easements are required. The vacation of the alley right-of-way will be obtained as part of the land lease/purchase negotiation with the City, which will be completed within the first four months following any EDA grant award.

C.11. Project Budget Breakdown

Administrative and Legal Expenses - \$668,000 – This includes all of the overhead costs associated with the construction contractor (\$548,000), payment and performance bonds (\$80,000) and general liability insurance (\$40,000).

Architectural and Engineering Fees - \$825,000 – The project will be completed using a design/bid/build process. This amount includes all costs associated with the design phase.

Project Inspection Fees - \$50,000 – This includes all costs associated with construction and materials inspection.

Site Work - \$950,000 – This includes all work done to prepare the site for vertical construction, including grubbing, grading, tree removal and replacement, and fill. It also includes construction of the building foundation and drainage structures, parking areas, and installation of landscaping.

Construction - \$9,009,000 – This includes all labor and materials for vertical construction, including the following:

- General Conditions (labor, safety, security, etc.) -- \$584,000

- Concrete -- \$887,000

- Masonry -- \$235,000

- Metals (structural framing, joists and deck) -- \$1,460,000

- Wood & Plastics (carpentry and woodwork) -- \$56,000

- Thermal & Moisture Protection (waterproofing, insulation, roofing) -- \$610,000

- Doors and Windows -- \$1,775,000

- Finishes (sheet rock, flooring, ceilings, paint) -- \$887,000

- Specialties -- \$47,000

- Conveying Systems (elevators) -- \$167,000

- Mechanical (plumbing, fire protection, HVAC) -- \$1,205,000

- Electrical (lighting, communications) -- \$1,096,000

Contingencies - \$498,000 – This is estimated at 5% of the total cost of Construction and Site Work.

Total Cost - \$12,000,000

Pinellas County US EDA Grant Application

Tampa Bay Innovation Center

Environmental Narrative

A. PROJECT DESCRIPTION

1. Beneficiaries

The business incubator will serve entrepreneurs throughout the Tampa Bay region.

2. Proposed Construction

Pinellas County is proposing to construct an approximately 45,000 square foot facility on a vacant property, in St. Petersburg Florida, to provide business incubator services to create successful entrepreneurs, foster creation of high-tech jobs, and develop new sources of technology and manufacturing capabilities by nurturing early stage ventures as they grow and launch their products into the marketplace. This project is located within Township 31, Range 30, Section 17 in the City of St. Petersburg's Bayboro Community Redevelopment Area (see location map below). This project would be designed and constructed over a three-year period from the date of the grant award. Total land disturbance will be limited to approximately 2 acres on a vacant, previously disturbed infill property.

3. Need and Purpose

The regional economy is greatly influenced by tourism and real estate which are two relatively lower-paying job categories that are vulnerable to external economic shocks and natural disasters. The business incubator is a critical project for the County to continue to promote and encourage a high-wage, more diverse and economically resilient workforce. To meet the needs of entrepreneurs and promote creative partnerships, it is necessary for the business incubator to be in the vicinity of industrial, institutional, and manufacturing partners and sized to accommodate a financially self-sustaining operation.

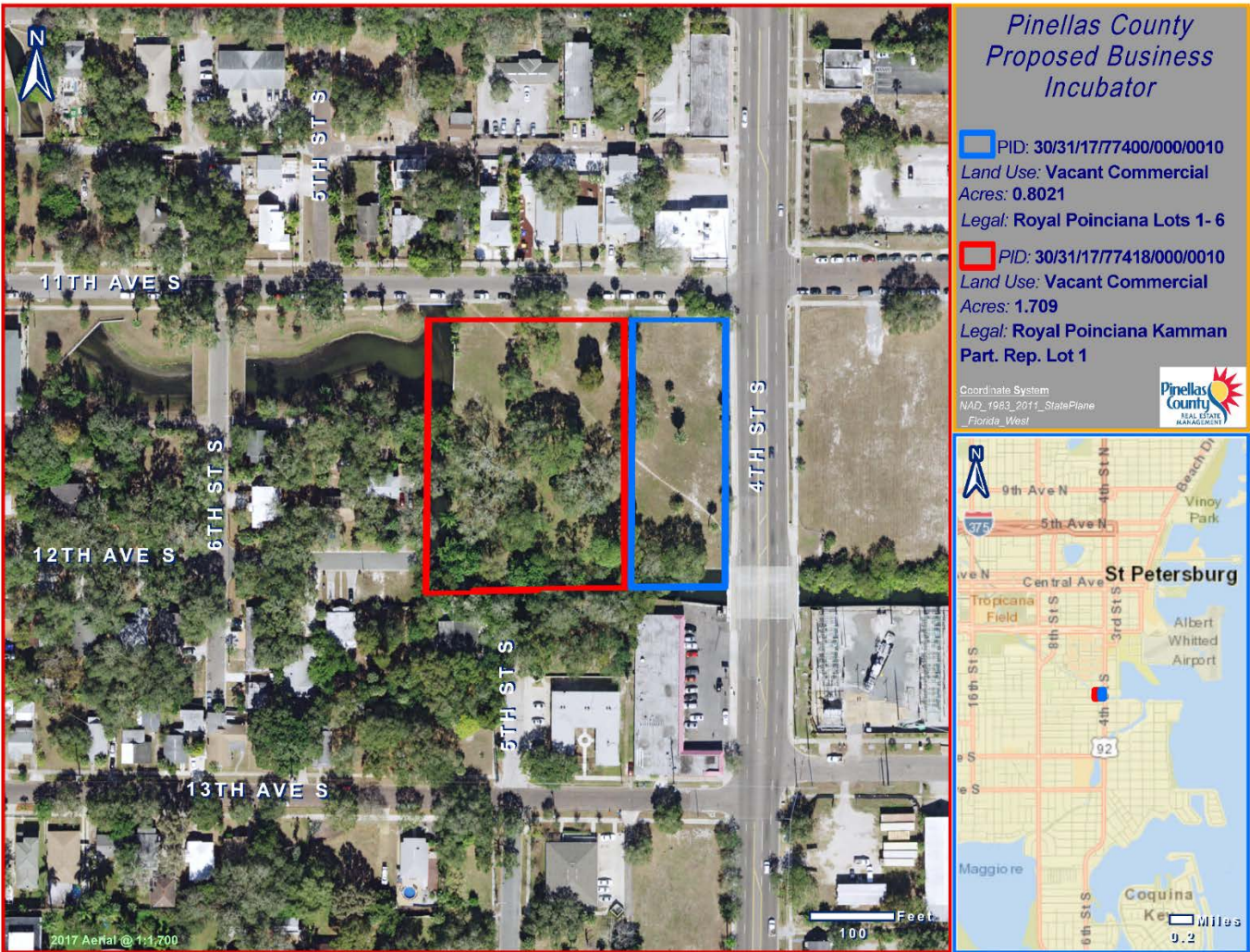
4. Alternatives to the Proposed Project

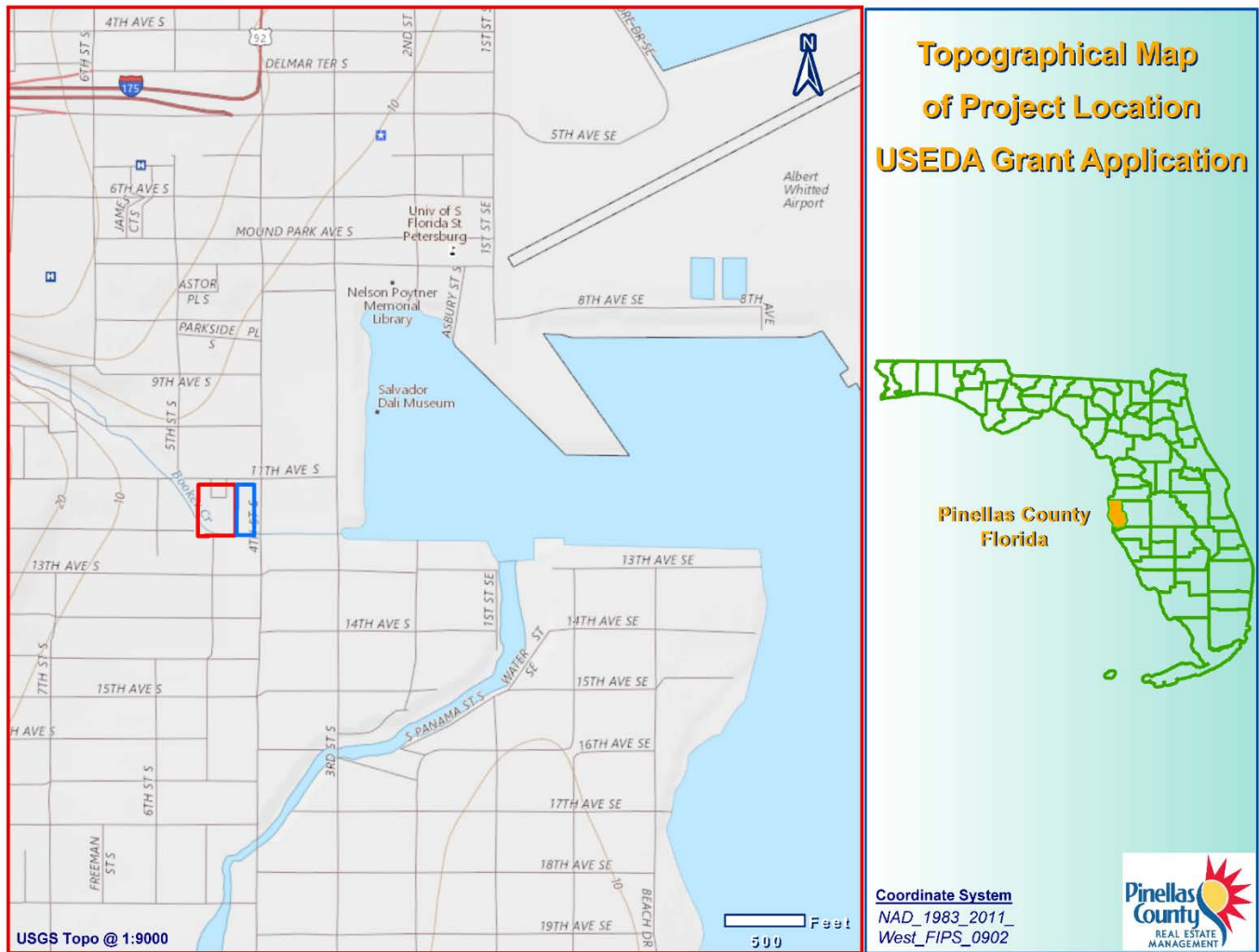
The Tampa Bay Innovation Center (TBIC) commissioned a feasibility study to determine which locale in Pinellas County could support a business incubator. The feasibility study was conducted by Greenwood Consulting Group, Inc. (GCGI), which has performed over 80 incubator projects in the U.S. and Canada. GCGI uses its proprietary feasibility assessment model which considers six factors: market, business assistance, champion, real estate, development cost and funding, and operating sustainability. A total 429 surveys were returned and compiled for the study results. Of these responses, 66 came from individuals who are interested in becoming tenants of the proposed incubator, and another 120 came from entrepreneurs interested in using services at the incubator. Potential tenants (75%) prefer a downtown St. Petersburg location. Eight potential sites were identified for the business incubator, and seven were removed from consideration due to the wrong location, wrong size, and/or extremely expensive real estate. The proposed property is the only identified location, near critical partners, of vacant land where new construction can occur. In addition, this property is being offered at no cost by the City for use as a business incubator.

No Build Alternative

Pinellas County has previously provided space for the incubator in the former Department of Energy Pinellas Plant facilities (STAR Center) for 12 years (up to 45,000 sq. ft.). With the pending sale of the STAR Center, the TBIC business incubator relocated to a downtown St. Petersburg location at the campus of St. Petersburg College (6,000 sq. ft.). This space was far too small to operate a successful business incubator. In August 2018, the County provided temporary space (~19,000 sq. ft.) for the business incubator in a dated, north downtown County-owned building. This temporary

location also does not provide the required space to operate a viable business incubator, nor does this alternative meet the Need and Purpose of the project. The building is not strategically located near the institutional and industrial partners that are necessary to serve the marine and life science entrepreneurs of the local institutions and employers. Under the No-Build Alternative the TBIC business incubator would remain in the County's outdated building in a commercial district.





Build Alternative

Construction of a new approximately 45,000 sq. ft. business incubator, located in south downtown St. Petersburg, would provide the **size, location, and environment** to launch high-tech entrepreneurial businesses that strengthen the economic resiliency of the Tampa Bay region.

TBIC commissioned a feasibility study to determine if a new business incubator in the region was feasible. The feasibility study recommended a downtown St. Petersburg location sized (40,000-50,000 sq. ft.) to accommodate demand and the ability to achieve financial self-sustainability.

In addition to size, it is important that the facility be in a location adjacent to employers and institutions that provide the seeds for entrepreneurial growth. These institutional employers/facilities are the professional home to thousands of scientists, doctors, educators and entrepreneurs that come together in cross-functional groups where they learn about each other, experiment with new ways of working together, commercialize their ideas, and through their success create more economic opportunities for the region.

Because the business incubator is serving entrepreneurs that develop and spin-off high tech services and products, it is important that the building support their work. A newly constructed building will include a high-tech environment and functions that provide the support necessary to create and launch business ventures that lead to much needed high-

tech jobs to balance the regional tourism and real estate economy. High-tech jobs will make the regional economy more resilient to economic and natural disasters.

B. HISTORICAL/ARCHEOLOGICAL RESOURCES

The proposed location for the business incubator is a highly urbanized, previously developed property consisting of vacant land. The property is not located in a Historic District nor are there any buildings on the site. Public records indicate the site was developed prior to 1952 with residences, a small trailer park, and apartments. In the 1993 aerial photographs the site is vacant and appears to have been used as a construction staging lot from 2005 to 2009. The site has been vacant since 2013.

Pinellas County submitted a review to the State Historic Preservation Officer (SHPO) on August 9. The SHPO submittal and response letters are included as Appendix B. The County will follow the special condition regarding unexpected discoveries during project activities:

If prehistoric or historic artifacts, such as pottery or ceramics, projectile points, dugout canoes, metal implements, historic building materials, or any other physical remains that could be associated with Native American, early European, or American settlement are encountered at any time within the project site area, the project shall cease all activities involving subsurface disturbance in the vicinity of the discovery. The applicant shall contact the Florida Department of State, Division of Historical Resources, Compliance Review Section at (850)-245-6333. Project activities shall not resume without verbal and/or written authorization. In the event that unmarked human remains are encountered during permitted activities, all work shall stop immediately and the proper authorities notified in accordance with Section 872.05, Florida Statutes.

C. AFFECTED ENVIRONMENT

1. Affected Area

The site proposed for the location of the business incubator is a 2.5 acre urban vacant property of which 2.17 acres is considered uplands and developable. The property was previously developed from 1952 to 1993 and has been vacant since 2013 when it ceased being used as a construction lot. The current zoning of the property is Commercial Corridor Traditional-1 (CCT-1) and Neighborhood Suburban Multi-Family (NSM-1). The property contains two parcels and is located in south downtown St. Petersburg, strategically situated near the St. Petersburg campus of the University of South Florida, the All Children's Hospital complex, and numerous state and federal agency offices (NOAA, USGS, FWRI). Impact to vegetation at the property would be limited to the removal of oak trees. A permit would be issued for tree removal and mitigation in the form of replacement trees would be required.

2. Coastal Zones

The Florida Coastal Management Program was approved by NOAA in 1981, with the Florida Department of Environmental Protection serving as the lead agency. A network of nine state agencies and five water management districts together enforce 23 separate statutes. The Florida Coastal zone is the entire state but is divided into two tiers. Only coastal cities and counties that include or are contiguous to state water bodies are eligible to receive coastal management funds. According to FDEP the proposed project is within a designated coastal zone management area.

The City of St. Petersburg's Comprehensive Plan Coastal Management Element Goal is to *"manage the coastal system, including tributaries, wetlands, embayments, historic resources, shorelands and infrastructure in a manner that will maintain or enhance environmental, recreational, historic and economic qualities and protect human life."* Pinellas

County and the City have codes and ordinances in place that provide protection to coastal zones. The proposed project will comply with all federal, state and local rules and regulations during the planning, design and construction of the proposed building and avoid any impacts to coastal resources. There are no shorelines, beaches, dunes, or estuaries within or adjacent to the project site.

3. Wetlands

There is only one wetland in the proximity of the project area: Booker Creek. The proposed site is bounded on the west and south by the creek, an urban, channelized creek that flows towards the east into Bayboro Harbor on Tampa Bay. At this location the creek has vertical retaining walls that control the direction of water flow. Booker Creek has been designated an impaired water body by the Florida Department of Environmental Protection for fecal coliforms. Booker Creek has also been designated an impaired water body by the US Environmental Protection Agency for chlorophyll-a, dissolved oxygen, and fecal coliforms.

Southwest Florida Water Management District will require permitting and construction of an onsite stormwater facility that is appropriately sized to capture additional stormwater from the creation of impermeable areas caused by the construction of the building and parking lots. The proposed building footprint will include a first floor, low-impact parking lot in order to reduce the amount of stormwater produced at the site. The stormwater facility will be designed and constructed for stormwater detention and retention to reduce impacts to Booker Creek.

The two parcels that comprise the project include 20-foot drainage easements, on the west and south boundaries. These easements will insure that Booker Creek is not significantly impacted by the development and will allow City personnel access to the creek for maintenance activities. The proposed project will cause minor impacts to Booker Creek during storm events but is not expected to increase the presence of fecal coliforms, chlorophyll-a, or dissolved oxygen.

4. Floodplains

The proposed project property is located within the 100-year floodplain and a highly urbanized area. The base flood elevation at this location is eight feet. Direct impacts to the floodplain will be minimized by elevating the base floor of the building above eight feet and placing the main structure on concrete or wooden pilings. Equipment would be elevated above the base floor elevation minimizing the risk of flood damage to the facility and disruption of service. Construction of this type is used throughout Florida to reduce direct impacts to the floodplain and raise base floor elevation well above the base flood elevation therefore fulfilling the operational needs of the project. The proposed building will meet all floodplain construction requirements of local ordinances that establish the first floor elevation requirements for the project. Every effort will be made, within permit requirements, to minimize floodplain impacts including low-impact parking areas such as permeable surfaces. Pinellas County has been unable to identify comparable sites outside of the floodplain the serve the need and purpose of the project. Pinellas County will obtain the required Flood Insurance for the building and contents.

Pinellas County participates in the National Flood Insurance Program. This project is not a critical action project.



Blue overlay is the 100-year floodplain, map number 12103C0219G effective on 09-03-2003.

5. Endangered Species

Federally protected species assessed for this project include the following: Gulf sturgeon, smalltooth sawfish, West Indian manatee, swimming sea turtles (loggerhead, green, leatherback, and Kemp's ridley), piping plover, and wood stork. State protected species assessed for this project include the following: Eastern Indigo snake, snowy plover, American oystercatcher, black skimmer, brown pelican, least tern, little blue heron, snowy egret, reddish egret, tricolored heron, white ibis, roseate spoonbill, black skimmer, brown pelican, least tern, snowy plover, and osprey.

A finding of no effect, no suitable foraging habitat was assigned for the wood stork and a finding of may affect, but not likely to adversely affect was assigned for the West Indian manatee.

Essential Fish Habitat

No National Marine Fisheries or FWS essential fish habitat or critical habitat was identified in this location.

Mitigation

Mitigation for the West Indian Manatee will be provided by following the Standard Manatee Conditions for In-Water Work 2011. Mitigation for the Eastern Indigo Snake will be provided by implementing the Standard Protection Measures for the Eastern Indigo Snake.

Correspondence to and response from the US Fish and Wildlife Service is included as Appendix C.

6. Land Use Zoning

The east parcel of the subject site is designated Corridor Commercial Traditional (CCT-1) and is located within the Bayboro Harbor Redevelopment Plan and Community Redevelopment Area (CRA) adopted by the City in 1982. The proposed office building is consistent with the Redevelopment Plan's objective to encourage expansion and support for job creation and employment oriented uses with the CRA.

From 1977 to 2007 the west parcel of the subject site was designated with RM-12/15 (Residential Multifamily) zoning. In September 2007, the parcel zoning was changed to NSM-1 (Neighborhood Suburban Multifamily) following implementation of the City's Vision 2020 Plan, the City-wide rezoning and update of the City Code, Chapter 16, Land Development Regulations (LDRs). In 2014, in preparation for redevelopment of the parcel, the City initiated a change in the zoning of the eastern 120 feet of the west parcel to CCT-1. The proposed project is consistent with CCT-1 zoning.

7. Solid Waste Management

All solid waste disposal is the responsibility of Pinellas County. The County currently receives and disposes of municipal solid waste, and construction and demolition debris, generated throughout Pinellas County. The Pinellas County waste-to-energy plant and the Bridgeway Acres sanitary landfill are operated by Pinellas County Utilities, Department of Solid Waste Operations. The waste-to-energy plant continues to operate below its design capacity of incinerating 985,500 tons of solid waste per year. The continuation of successful recycling efforts and the efficient operation of the plant have helped to extend the life span of the landfill. The landfill has approximately 30 years remaining, based on current grading and disposal plans. There is excess solid waste capacity to serve the proposed project.

8. Hazardous or Toxic Substances

In 2013, consultants contracted by the City conducted Phase I and Phase II Environmental Site Assessments (ESAs) on the proposed project site. A copy of these reports are included as [Appendix D](#). According to the Phase I Environmental Site Assessment, site records indicate no historical use of petroleum and/or hazardous substances at the subject site. Subsequently a Phase II ESA was conducted to determine if contaminated soils or groundwater exist at the site due to the historical presence of a dry cleaner and service station on two adjacent properties (see the Phase I and Phase II ESAs). The Phase II ESA did not identify any impacts that exceed regulatory limits to soil or groundwater at the site. No documentation of releases or potential releases of petroleum or hazardous substances to environmental media that would negatively impact the proposed building construction was identified during the site investigations, therefore, no further action related to hazardous or toxic substances is recommended in conjunction with the proposed project.

9. Water Resources

Site plan approval by the City of St. Petersburg Development Review Services will be required prior to development of the subject property which will include an Environmental Resource Permit (ERP). As authorized by Part IV of Chapter 373, Florida Statutes, the Southwest Florida Water Management District is responsible for permitting construction and operation of surface water management systems. An ERP is required prior to beginning any construction activity that would affect wetlands, alter surface flows, or contribute to water pollution. The review process of an ERP application ensures that the permit will authorize activities or situations that are not harmful to water resources such as Booker Creek.

10. Water Supply and Distribution System

Under the existing Interlocal agreement with Tampa Bay Water (TBW), the region's local governments are required to project and submit, on or before February 1st the anticipated annual water demand for each following year. TBW is contractually obligated to meet the City's and other member governments' water supply needs.

The City's adopted level of service (LOS) standard for potable water is 125 gallons per capita per day, while the actual usage is estimated to be 79 gallons per capita per day. The demand for potable water may increase slightly under the proposed project, however, there will be no impact on the City's adopted LOS standard.

11. Wastewater Collection and Treatment facilities

The subject property is served by the Albert Whitted Water Reclamation Facility, which presently has excess capacity estimated to be 5.98 million gallons per day. Therefore, there is excess sanitary sewer capacity to serve the proposed project.

12. Environmental Justice

The proposed project will not result in any disproportionate adverse human health or environmental impacts relative to minority and low income populations. The proposed project impacts one urban property.

13. Transportation

Development of this vacant property will likely result in a net increase of 112 p.m. peak hours trips, however, such an increase would not have an impact on the roadway level of service, consistent with City Policy LU3.18, which states that *all retail and office activities shall be located, designed and regulated so as to benefit from the access afforded by major streets without impairing the efficiency of operation of these streets or lowering the LOS below adopted standards, and with proper facilities for pedestrian convenience and safety*, as well as Policy T1.3, which states that *the City shall review the impact of all rezoning proposals and requests to amend the FLUM on the City's transportation system. FLUM amendment requests that increase traffic generation potential shall demonstrate that roadway and/or mass transit capacity are available to accommodate the additional demand*. The City has more than sufficient capacity to serve the area.

The Citywide LOS standard for mass transit is headways less than one hour. The Pinellas Suncoast Transit Authority provides local transit service along 4th Street South with a 15-minute headway.

14. Air Quality

The Pinellas County Air Monitoring Program is an Environmental Protection Agency approved program. The County evaluates and manages the ambient air quality monitoring network throughout the county. Pinellas County is an attainment area for the priority air pollutants. The County does not regulate building construction, however, the City of St. Petersburg provides oversight with the use of building permits. Potential short term impacts to local air quality arising from the construction activities would include increased particulate matter concentrations and gaseous emissions from the construction vehicles, however, the implementation of dust suppression best management practices will reduce the impact to less than significant.

15. Noise

Noise from construction activities will be limited to the hours of 7:00 am to 7:00 pm and will be enforced by City personnel. No additional noise impacts are expected from the project.

16. Permits

City of St. Petersburg Building Permit

Southwest Florida Water Management District Environmental Resource Permit

City of St. Petersburg Tree Removal Permit

17. Public Notification/Controversy

The construction of the business incubator will provide the opportunity for adding jobs to the local economy, and is therefore seen as benefitting the city and residents. In contemplation of this project the City has provided numerous opportunities for the public to provide input about the project while conducting rezoning hearings and other municipal activities. Copies of some public notices, hearing minutes and newspaper articles are included as [Appendix E](#). Input has been limited to requests to take the local residential community into consideration by limiting construction activities to

the hours of 7:00 am and 7:00 pm and keeping the community informed about the progress of the project. This project is not a controversial project for the community.

18. Cumulative Effects

Due to the location of the proposed infill project, a highly urbanized environment on a vacant, previously impacted property, the project's contribution to cumulative impacts is considered less than significant.

D. MITIGATION

Permits, plans and reports determine mitigation techniques and practices. Permits will dictate what mitigation needs to take place for the proposed project. Because the proposed construction is on a vacant, previously disturbed urban property, mitigation is expected to be limited to best management practices according to permit requirements.

**Pinellas County US EDA Grant Application
Tampa Bay Innovation Center
Environmental Narrative**

List of Attachments

- Appendix A: Signed Applicant Certification Clause
- Appendix B: SHPO Submittal and SHPO Response Letters
- Appendix C: US Fish & Wildlife Service Submittal and Response of Concurrence: FWS Log # 2018-TA-9012
- Appendix D: Phase I and II Environmental Site Assessments
- Appendix E: Copies of public notices, public hearing minutes, etc.

Appendix A: Applicant Certification Clause

The applicant represents and certifies that it has used due diligence to determine that the description of the project site described herein is accurate with respect to the presence or absence of contamination from toxic and hazardous substances. The term “site” includes the entire scope of the project, including future phases of the project and all areas where construction will occur.

1. Is the site currently, or has it in the past 50 years, been used for any of the following operations or activities:
 - a. Generation of hazardous substances or waste?
 _____ Yes X No
 - b. Treatment, storage (temporary or permanent), or disposal of solid or hazardous substances or waste?
 _____ Yes X No
 - c. Storage of petroleum products?
 _____ Yes X No
 - d. Used/waste oil storage or reclamation units?
 _____ Yes X No
 - e. Research or testing laboratory?
 _____ Yes X No
 - f. Ordinance research, testing, production, use, or storage?
 _____ Yes X No
 - g. Chemical manufacturing or storage?
 _____ Yes X No
 - h. Weapons or ammunition training, use, or testing?
 _____ Yes X No
 - i. Iron works/foundry?
 _____ Yes X No
 - j. Railroad yard?
 _____ Yes X No
 - k. Industrial or manufacturing operation?
 _____ Yes X No

If any of the above operations ever occurred at the site, and if appropriate cleanup or other mitigation actions were performed in accordance with the local, State, and federal laws, please attach documentation of these actions.

Appendix A: Applicant Certification Clause

2. Do wells draw from an underlying aquifer to provide the local domestic water supply?
 _____ Yes X No
3. Has a federal, State, or local regulatory authority ever conducted an environmental assessment, environmental impact statement, or a preliminary assessment/site inspection, or similar environmental surveyor inspection report at the site? If yes, please list here and attach copies of these reports or results.
 _____ Yes X No
- 1) _____

 2) _____

 3) _____

 4) _____

 5) _____

4. Have any environmental or OSHA citations or notices of violation been issued to a facility at the site? If yes, please attach copies.
 _____ Yes X No
5. Have any unauthorized releases of hazardous substances occurred at any facility at the site which resulted in notification of the EPA's National Response Center?
 _____ Yes X No
6. Is any material containing asbestos or lead paint located at the site? If yes, please attach information concerning State and federal regulatory compliance.
 _____ Yes X No
7. Is there any equipment (electrical transformers, etc.) containing polychlorinated biphenyls (PCB) on the site? If yes, please attach a description of the equipment.
 _____ Yes X No
8. Are there underground or above ground storage tanks on the site? If yes, please attach a detailed description, including the number of underground storage tanks on the site, whether the tanks have been inspected (or removed) and the results of such inspections.
 _____ Yes X No
9. Has the site been tested for radon? If yes, please attach results.
 _____ Yes X No

Appendix A: Applicant Certification Clause

10. Have there been, or are there now any environmental investigations by federal, State or local government agencies that could affect the site in question? If yes, please attach available information.

_____ Yes X No

The applicant acknowledges that this certification regarding hazardous substances and/or waste is a material representation of fact upon which EDA relies when making and executing an award. EDA reserves the right to terminate any award made in conjunction with the representations contained herein if, at any time during the useful life of the project, EDA becomes aware of the presence of hazardous materials or waste at the site, or that hazardous materials or waste have been inappropriately handled thereon.

Further, if it is determined at any time that the presence of hazardous materials or waste, or handling thereof, has been misrepresented, EDA may pursue other available legal remedies against the applicant.

Pinellas County Board of County Commissioners

Applicant's Name

Kenneth T. Welch, Chairman, Pinellas County Board of County Commissioners

Name and Title of Applicant's Authorized Representative

Kenneth T. Welch

8/22/18

Signature of Applicant's Authorized Representative

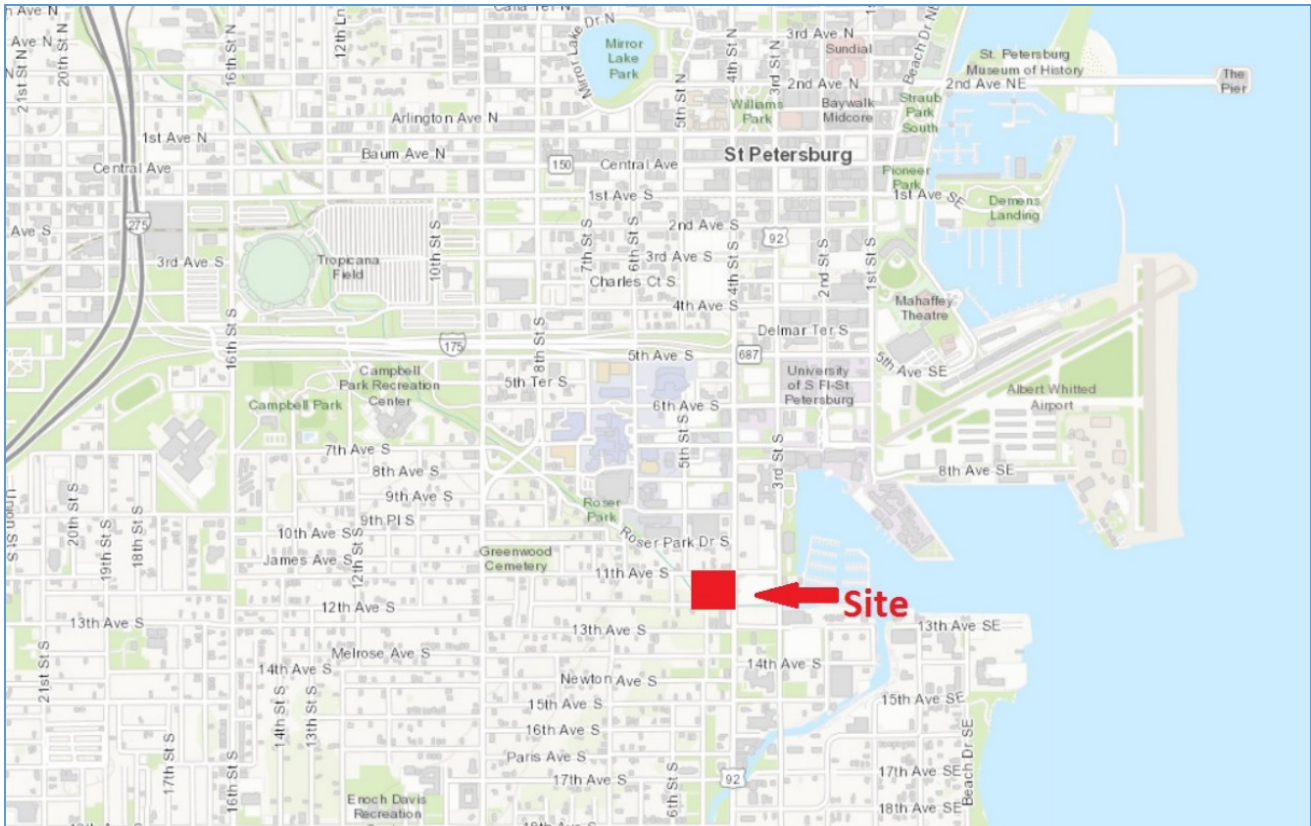
Date

Appendix B: SHPO Submittal and SHPO Response Letters

FLORIDA DEPARTMENT OF STATE DIVISION OF HISTORICAL RESOURCES
Review Documentation Requirements

Submitted by Pinellas County, Florida for TBIC Business Incubator Project – August 2018

1. **Division Involvement** – United State Economic Development Administration - FY2018 EDA Disaster Supplemental Notice of Funding Opportunity, CFDA 11.307 Economic Adjustment Assistance
2. **Project Address/Location** – Southwest corner of 4th Street South and 11th Avenue South, St. Petersburg, Florida. The site consists of two parcels in Section 30, Township 31, Range 17. The full tax parcels IDs are 30-31-17-77400-000-0010 and 30-31-17-77418-000-0010.
3. **Location Map** – A general property location map and a property appraiser parcel map are below.



4. **Photographs** – There are no buildings on this vacant site.
5. **Record Search** – There are no buildings on this vacant site.
6. **Historic District** – The property is not located in a Historic District.
7. **Building Description** – There are no buildings on this vacant site.
8. **Project Description** – The project will be new construction of a 40,000 to 50,000 square foot business incubator.
9. **Finding of Effect** – No historic properties affected.
10. **Contact Information** –
Teri Hasbrouck
509 East Avenue S
Clearwater, Florida 33756,
727-464-6967
thasbrouck@PinellasCounty.org



FLORIDA DEPARTMENT of STATE

RICK SCOTT
Governor

KEN DETZNER
Secretary of State

Teri Hasbrouck, MS, CPM
Environmental Program Coordinator
Pinellas County – Real Estate Management
Real Property Division
509 East Ave. S.,
Clearwater, Florida 33756

August 30, 2018

RE: DHR Project File No.: 2018-3995, Received by DHR: August 9, 2018
Project: *EDA-FY2018 Disaster Supplemental – Pinellas County, Florida for TBIC Business Incubator Project – August 2016*
County: Pinellas

Ms. Hasbrouck:

The Florida State Historic Preservation Officer reviewed the referenced project for possible effects on historic properties listed, or eligible for listing, in the *National Register of Historic Places*. The review was conducted in accordance with Section 106 of the *National Historic Preservation Act of 1966*, as amended, and its implementing regulations in *36 CFR Part 800: Protection of Historic Properties*.

The subject property at the corner of 4th Street South and 11th Avenue South, St. Petersburg, Florida is located to the immediate southwest of the Roser Park Historic District (FMSF# PI6915), which is listed on the National Register of Historic Places. It is the opinion of this office that the proposed project will not have an adverse effect on the Roser Park Historic District. However, to further prevent and reduce visual impacts to the Park Avenue Historic District resulting from the proposed project, our office recommends at least maintaining the current pattern of vegetation along the property's eastern boundary and potentially further developing similar vegetative screening to reduce the visibility of the proposed building from the Park Avenue Historic District.

Additionally, as the project includes ground disturbance activities and the area is favorable for archeological resources the following special condition regarding unexpected discoveries should be included during project activities:

- If prehistoric or historic artifacts, such as pottery or ceramics, projectile points, dugout canoes, metal implements, historic building materials, or any other physical remains that could be associated with Native American, early European, or American settlement are encountered at any time within the project site area, the project shall cease all activities involving subsurface disturbance in the vicinity of the discovery. The applicant shall contact the Florida Department of State, Division of Historical Resources, Compliance Review Section at (850)-245-6333. Project activities shall not resume without

Division of Historical Resources
R.A. Gray Building • 500 South Bronough Street • Tallahassee, Florida 32399
850.245.6300 • 850.245.6436 (Fax) FLHeritage.com

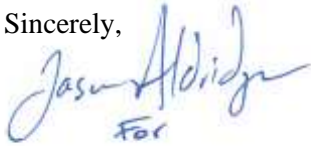


Teri Hasbrouck
DHR Project File No.: 2018-3995
August 30, 2018
Page 2

verbal and/or written authorization. In the event that unmarked human remains are encountered during permitted activities, all work shall stop immediately and the proper authorities notified in accordance with Section 872.05, *Florida Statutes*.

If you have any questions, please contact Corey Lentz, Historic Sites Specialist, by email at Corey.Lentz@dos.myflorida.com, or by telephone at 850.245.6339 or 800.847.7278.

Sincerely,

A handwritten signature in blue ink that reads "Jason Aldridge". Below the signature, the word "For" is written in a smaller, lighter blue script.

Timothy A Parsons, Ph.D.
Director, Division of Historical Resources
& State Historic Preservation Officer

Appendix C: Correspondence with US Fish and Wildlife Service

**BOARD OF COUNTY
COMMISSIONERS**

Dave Eggers
Pat Gerard
Charlie Justice
Janet C. Long
John Morroni
Karen Williams Seel
Kenneth T. Welch



August 13, 2018

Ms. Zakia Williams
US Fish and Wildlife Service
U.S. Department of the Interior
7615 Baymeadows Way, Suite 200
Jacksonville, FL 32256-7517



FWS Log No. 2018-TA-0912

The Service concurs with your effect determination(s) for resources protected by the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 et seq.). This finding fulfills the requirements of the Act.


Jay B. Herrington
Field Supervisor

8/29/18
Date

RE: Endangered Species Act Section 7 Consultation
Pinellas County Business Incubator
St. Petersburg, Pinellas County, Florida

Dear Ms. Williams:

Pinellas County is in the process of applying for a FY2018 US Economic Development Administration grant (CFDA 11.307 Economic Adjustment Assistance) to construct a business incubator facility. As part of the grant requirements, Pinellas County is required to prepare an Environmental Narrative for compliance with NEPA. As part of the NEPA requirements Pinellas County is required to provide a list of all the threatened, endangered, and candidate species located in the project area and its immediate vicinity and identify these species' potential or existing habitat, and critical habitat designations in the project area. This report summarizes potential impacts to federally- and state-listed species and their habitats, and essential fish habitat. Identification of measures to avoid, minimize and mitigate for any potential impacts are also discussed.

Proposed Project

Please refer to the attached map which illustrates the project area and vicinity. The proposed project is construction of a 40,000-50,000 square foot building on two vacant parcels in south downtown St. Petersburg adjacent to Booker Creek. The two parcels are located at the intersection of 11th Avenue S and 4th Street S, St. Petersburg (Parcel Numbers 30-31-17-77400-000-0010 and 30-31-17-77418-000-0010). These two parcels were developed in the 1950's as a trailer home park and motel/apartments and appear vacant in the 1993 aerial photographs. The site was used as a road construction staging lot from 2005-2013. Booker Creek is located on the west and south boundaries of the subject site.

Pinellas County
Real Estate Management
509 East Ave. S.
Clearwater, FL 33756
Main Office: (727) 464-3496
FAX: (727) 464-5251
V/TDD: (727) 464-4062



Wetlands

No wetland impacts are anticipated to occur from construction of the building. Temporary water quality impacts from construction may occur to Booker Creek, however, no adverse impacts are anticipated.

Protected Species and Habitat

Federally protected species assessed for this project include the following: Gulf sturgeon, smalltooth sawfish, West Indian manatee, swimming sea turtles (loggerhead, green, leatherback, and Kemp's ridley), piping plover, and wood stork. State protected species assessed for this project include the following: Eastern Indigo snake, snowy plover, American oystercatcher, black skimmer, brown pelican, least tern, little blue heron, snowy egret, reddish egret, tricolored heron, white ibis, roseate spoonbill, black skimmer, brown pelican, least tern, snowy plover, and osprey.

A finding of no effect, no suitable foraging habitat was assigned for the wood stork and a finding of may affect, but not likely to adversely affect was assigned for the West Indian manatee.

Essential Fish Habitat

No National Marine Fisheries or FWS essential fish habitat or critical habitat was identified in this location.

Mitigation

Mitigation for the West Indian Manatee will be provided by following the Standard Manatee Conditions for In-Water Work 2011. Mitigation for the Eastern Indigo Snake will be provided by implementing the Standard Protection Measures for the Eastern Indigo Snake.

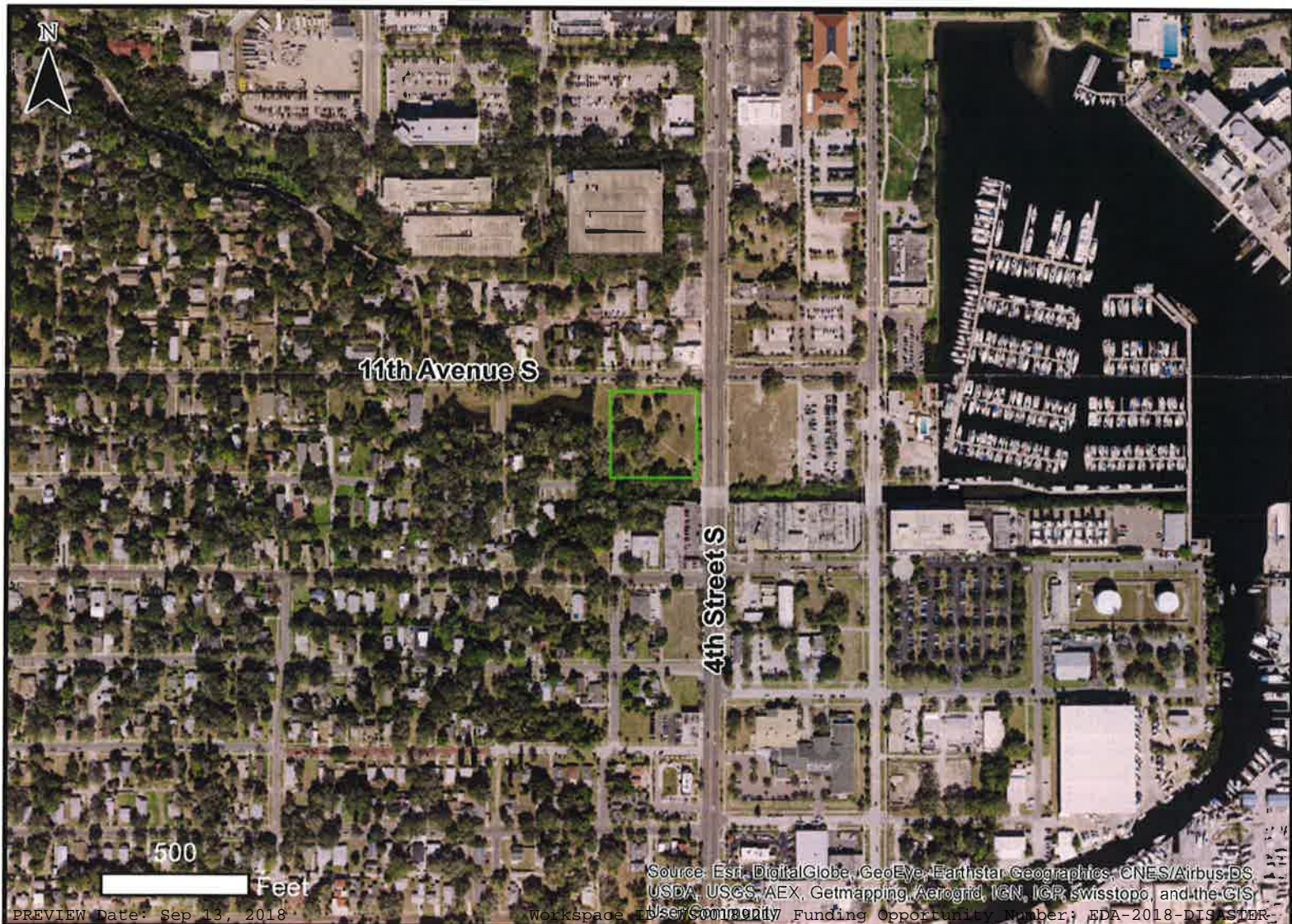
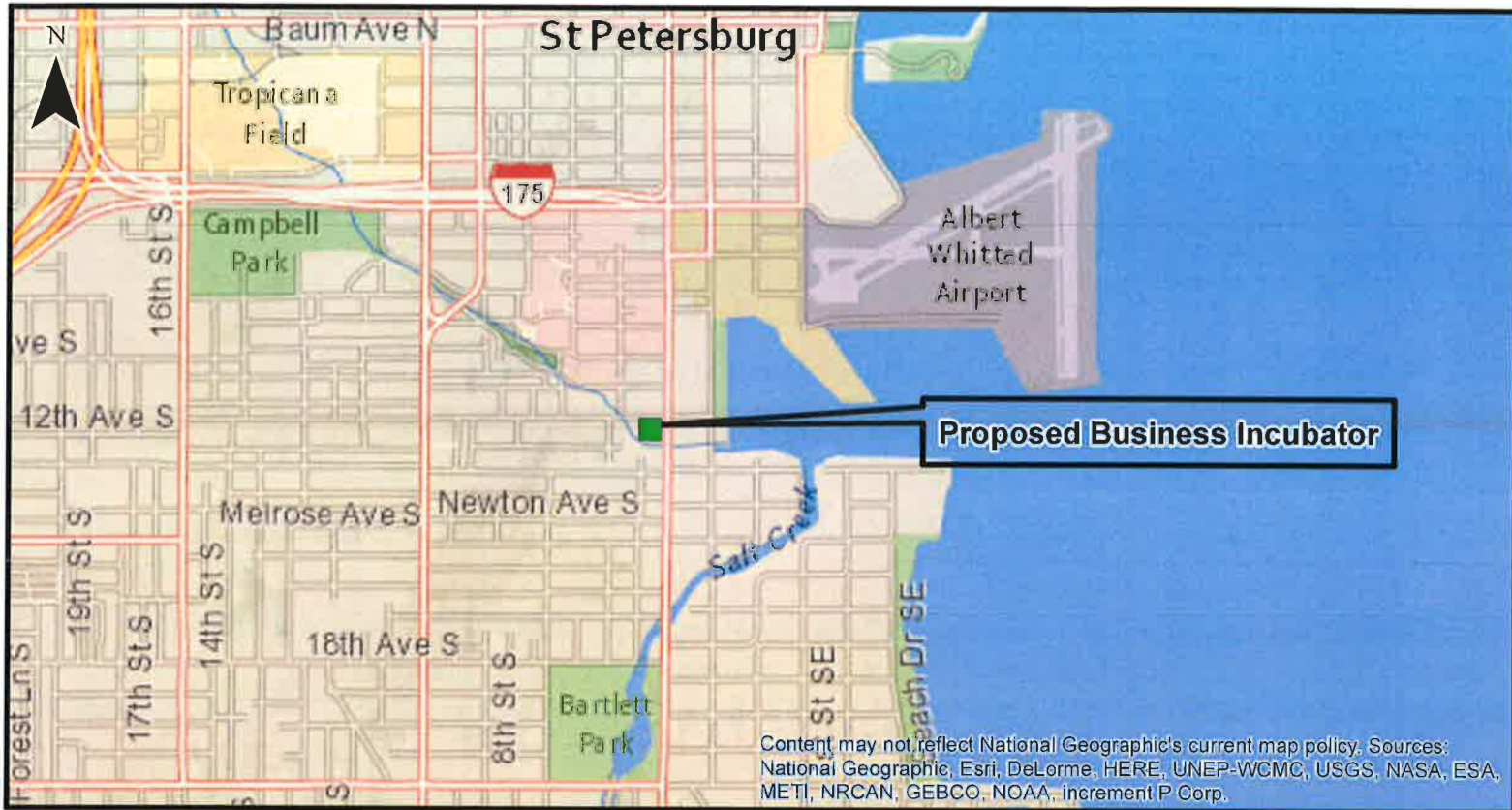
Please provide concurrence with our findings. Pinellas County respectfully requests a response from the U.S. Fish and Wildlife Service within 30 days. If you have any questions or need additional information, please contact me at (727) 464-6967 or email me at THasbrouck@PinellasCounty.org.

Sincerely,



Teri Hasbrouck
Environmental Program Coordinator

LOCATION MAP: Proposed Pinellas County Business Incubator



Appendix D: Phase I and II Environmental Site Assessments



PHASE I ENVIRONMENTAL SITE ASSESSMENT

conducted on

**Vacant Land
"Parcel B"**

**SW Corner of 4th St. South and 11th Ave. South
Parcel ID #'s 30/31/17/77418/000/0010 & 30/31/17/77400/000/0010
St. Petersburg
Pinellas County, Florida**

October 7, 2013

GE Project Number: 1001-6308

Prepared for and Certified to:

**City of St. Petersburg
Mr. Mike Psarakis
Senior Real Estate Coordinator
P.O. Box 2842
St. Petersburg, FL 33731**

Prepared by:

**Greenfield Environmental Inc.
432 3rd Street North
St. Petersburg, FL 33701**



October 7, 2013
GE Project No.: 1001-6308

City of St. Petersburg
Mr. Mike Psarakis
Senior Real Estate Coordinator
P.O. Box 2842
St. Petersburg, FL 33731

**RE: PHASE I ENVIRONMENTAL SITE ASSESSMENT - Vacant Land - "Parcel B" - SW
Corner of 4th St. South and 11th Ave. South - Parcel ID #'s 30/31/17/77418/000/0010 &
30/31/17/77400/000/0010 - St. Petersburg - Pinellas County - Florida**

Dear Mr. Psarakis:

Greenfield Environmental, Inc. (GE) has completed a Phase I Environmental Site Assessment (ESA) of the above referenced property located in St. Petersburg, Florida.

This Phase I ESA was conducted in accordance with the scope and limitations of the 2005 EPA's Final All Appropriate Inquiry (AAI) Standard (40 CFR 312) and in compliance with the American Society for Testing and Materials (ASTM) Practice E-1527-05. This report documents the environmental concerns identified on the subject site and addresses the associated risks to the environment. Greenfield Environmental acknowledges the fact that the City of St. Petersburg is relying on the information contained in this Phase I ESA report to assess the environmental condition of the subject property and the scope of work was sufficient in Greenfield Environmental's opinion to uncover potential Recognized Environmental Conditions (RECs) at the subject property pursuant to the above standards. This ESA report was prepared for and is certified to the City of St. Petersburg for their exclusive use. Greenfield Environmental warrants that this Phase I ESA was conducted in accordance with procedures, practices and standards generally accepted and customary in the consultant's profession for use in similar assignments.

In the professional opinion of Greenfield Environmental, Inc., an appropriate level of inquiry has been made into the current and previous ownership and uses of the subject property consistent with good commercial and customary practices in an effort to minimize liability, and evidence or indication of Recognized Environmental Conditions (RECs) has been identified (See Assessment Summary). Should you have any questions, please feel free to call us at (727) 896-1266.

Respectfully submitted,
Greenfield Environmental, Inc.



Mr. James E. Greenfield
Principal

Encl.

432 3rd Street North, St. Petersburg, FL 33701 • Phone: 727.896.1266 • Fax: 727.896.1566

TABLE OF CONTENTS

1.0 ASSESSMENT SUMMARY	1
2.0 INTRODUCTION	2
2.1 Purpose	2
2.2 Detailed Scope Of Services	2
2.3 Significant Assumptions	3
2.4 Limitations and Exceptions	3
2.5 Special Terms and Conditions	4
2.6 User Reliance	4
3.0 SITE DESCRIPTION	5
3.1 Site Location and Legal Description	5
3.2 Site and Vicinity General Characteristics	5
3.3 Current Use of the Property	5
3.4 Description of Structures, Roads and Other Improvements on the Property	5
3.5 Heating & Cooling Systems / Sewage Disposal / Source Of Potable Water	5
3.6 Current Use Of the Adjoining Properties	5
4.0 USER PROVIDED INFORMATION	6
4.1 Environmental Liens or Activity and Use Limitations (AUL's)	6
4.2 Specialized Knowledge	6
4.3 Commonly Known or Reasonably Ascertainable Information	6
4.4 Valuation Reduction for Environmental Issues	6
4.5 Owner, Property Manager, and Occupant Information	6
4.6 Reason for Performing Phase I ESA	7
5.0 RECORDS REVIEW	8
5.1 NPL Sites	8
5.2 De-Listed NPL Sites	8
5.3 CERCLIS and CERCLIS NFRAP Sites	8
5.4 RCRA TSD Sites	8
5.5 RCRA CORRACTS Sites	8
5.6 RCRA Generator Sites	8
5.7 RCRA NLR Sites	9
5.8 Federal Brownfields / Institutional Control / Engineering Control Registries	9
5.9 ERNS Sites	9
5.10 State / Tribal / Local / Regional Records Reviewed	9
5.11 Review of Pertinent Regulatory Files	14
5.12 Additional Environmental Record Sources	15
5.13 Physical Setting	15
5.14 Historical Use Information on the Subject Property and/or Adjoining Properties	15
Aerial Photograph Review	15
Sanborn Fire-Insurance Map Review	15
Historical City Directory Review	17
50-Year Chain of Title	17
6.0 SITE RECONNAISSANCE	18
6.1 Methodology and Limiting Conditions	18
6.2 General Site Setting / Interior & Exterior Observations	18
7.0 INTERVIEWS	20
7.1 Interview with Owner	20
7.2 Interview with Site Manager	20
7.3 Interview with Occupants	20
7.4 Interview with Local Government Officials	20
7.5 Interview with Others	20
8.0 FINDINGS / OPINIONS / CONCLUSIONS & RECOMMENDATIONS	21
9.0 ADDITIONAL SERVICES	22
10.0 REFERENCES & DEFINITIONS	23
11.0 QUALIFICATIONS OF ENVIRONMENTAL PROFESSIONALS (EP'S)	25
12.0 SIGNATURES OF ENVIRONMENTAL PROFESSIONALS (EP'S)	26

APPENDICES

I - Site Vicinity Map

II - Site Plan

III - Site Photographs

IV - Aerial Photographs

V - USGS Quadrangle Map

VI - Environmental Lien Search / Property Information / Sanborn Maps / Soil Map

VII - Regulatory Database Search

VIII - User Questionnaire

1.0 ASSESSMENT SUMMARY

Based on the standardized research methods and resultant information contained within this Phase I Environmental Site Assessment, Greenfield Environmental has identified the following Recognized Environmental Conditions (RECs) in accordance with the EPA's All Appropriate Inquiry (AAI) Standard. A REC is defined by the above standard as an identified condition indicative of releases or threatened releases of hazardous substances, and in the case of inquiries conducted for persons identified in §312.1(b)(2), conditions indicative of releases and threatened releases of pollutants, contaminants, petroleum and petroleum products, and controlled substances (as defined in 21 U.S.C. 802) on, at, in, or to the subject property.

Any exceptions to, or deletions from, this practice are described in this report. **This assessment has revealed the following evidence of Recognized Environmental Conditions (REC's) in connection with the subject property:**

- (1) **The presence of a historic service station located at 1038 4th Street South, approximately 0.069 miles northeast of the subject property. This site is currently a parking lot for the University of South Florida - St. Petersburg. A service station was located on this site from the mid-1950's to the mid-1980's. Regulatory records for the site indicate that two (2) fuel underground storage tanks (UST's) were abandoned in place at the site. No assessment records were available for review. Based on the potential that these UST's may have had historic leaks and no assessment records were available for review, this site is considered a REC at this time.**
- (2) **The historic presence of an automotive repair facility located at 1041 4th Street South, approximately 0.071 miles north-northeast of the subject property. This site is currently a vacant thrift store. An automotive repair facility was located on this site in the mid-1930's. No regulatory or assessment records were available for review. Based on the potential usage and storage of automotive fluids at this facility, this site is considered a REC at this time.**
- (3) **The historic presence of the Central Cleaners plant (a.k.a. Colony Cleaners) located at 1160 4th Street South, approximately 0.047 miles southeast of the subject property. This site is currently part of a construction staging lot for road work that is occurring nearby. A large drycleaning and laundering facility was located on this site from the mid-1950's to the late 1970's. No regulatory or assessment records were available for review. Based on the potential usage and storage of drycleaning constituents at this facility, this site is considered a REC at this time.**
- (4) **The historic presence of an automotive repair facility located at 1166 4th Street South, approximately 0.049 miles southeast of the subject property. This site is currently part of a construction staging lot for road work that is occurring nearby. An automotive repair facility was located on this site from the mid-1950's to the mid-1980's. No regulatory or assessment records were available for review. Based on**

the potential usage and storage of automotive fluids at this facility, this site is considered a REC at this time.

2.0 INTRODUCTION

2.1 Purpose

This Phase I ESA was performed in order to assess the site for existing or threatened contamination from sources listed within this report. This Phase I ESA was performed in order to identify any Recognized Environmental Conditions (REC's) as defined within the EPA's All Appropriate Inquiry (AAI) Standard. This Phase I ESA was conducted in accordance with the scope and limitations of the 2005 EPA's Final All Appropriate Inquiry (AAI) Standard (40 CFR 312) and in compliance with the American Society for Testing and Materials (ASTM) Practice E-1527-05. This Phase I ESA was performed under the direct supervision of Environmental Professional, Mr. James E. Greenfield.

The site visit was performed on September 16, 2013 by Nick Eilerman. Mr. Eilerman currently holds a Bachelor of Science degree in Environmental Science & Policy from the University of South Florida. Mr. Eilerman has environmental-related work experience since 2005 and experience in assessing the risks associated with real-property transactions since 2006. The site inspection was conducted with accompaniment by Mr. James Greenfield. This Phase I ESA was performed in order to assess the site for existing or threatened contamination from sources listed in **Section 8.0** of this report. See **Section 9.0** for a description of the scope of work and information sources used to perform the assessment.

Work conducted during the course of this Phase I ESA was completed under the direct supervision of James E. Greenfield. Mr. Greenfield holds a Bachelor of Arts degree in Biology from the University of South Florida. Mr. Greenfield has environmental-related experience in assessing the risks associated with real-property transactions since 1989.

2.2 Detailed Scope Of Services

The site inspection consisted of visual observation and photographic documentation of the subject property, and review of the following items: environmental setting, site geology and hydrology, on-site wells, aboveground storage tanks, underground storage tanks, on-site surface waters, impoundments and other land uses, septic systems, leach beds, or other subsurface structures, drums or containers, hazardous substance or petroleum product use and storage, hazardous waste disposal / storage practices, solid or liquid waste disposal practices, a limited PCB containing transformer survey, past usage of land, aerial photograph review going back to when the subject property appeared to be virgin with no on-site structures apparent, if applicable a 50-year chain of title search, environmental lien search / publicly recorded instruments within the past 50 years, historic city directories (if available), prior environmental assessments (if available), Sanborn Fire Insurance Maps (if available); review soil surveys, Geologic Maps of Florida, USGS Quadrangle Map, walk or drive around of adjacent properties (as possible), interview(s) with one or more persons knowledgeable about present and past use of the land (readily accessible), record review of NPL sites, De-Listed NPL sites, CERCLIS sites, CERCLIS NFRAP sites, RCRA TSD sites,

Greenfield Environmental, Inc.

RCRA CORRACTS sites, RCRA Generator sites, ERNS sites, Federal / State / Tribal Institutional Control/Engineering Control Registries, State and Tribal List of Hazardous Waste facilities, State and Tribal equivalent NPL sites, State and Tribal equivalent CERCLIS sites, State and Tribal Aboveground Storage Tanks (AST) sites, State and Tribal Underground Storage Tank (UST) sites, State and Tribal Leaking Underground Storage Tank (LUST) sites, State and Tribal Landfill and or Solid Waste sites, State and Tribal Brownfields sites, State and Tribal Voluntary Cleanup sites and record review of state and local government environmental enforcement data bases and examination of agency files on the property and adjacent properties, review of environmental permits if disclosed by owner or operator and the assembly of the environmental assessment report, including recommendations for additional investigation (if necessary). No subsurface investigation was conducted as part of this Phase I ESA.

2.3 Significant Assumptions

It is important to note that all but an exhaustive investigation might fail to locate buried, covered over or localized surficial events of hazardous materials or wastes on-site that are not reasonably visible or suspected at the ground surface. The client should realize that the subject property, which in our opinion, did not exhibit evidence that toxic or hazardous wastes were at the ground surface during our site inspection and field work, except as qualified herein, could later be impacted due to natural phenomena, human intervention, on-site pollution sources or contamination due to adjacent properties. These occurrences are beyond our control. Greenfield Environmental assumes that there are no hidden or unapparent environmental conditions of the site, subsoil, groundwater, structures or surroundings, which would have an adverse effect on the subject property, whether the source is on-site, adjacent, or in the nearby surrounding area. The purpose of this Phase I ESA was not to provide an operational audit of any businesses at the site, if any, which would determine their compliance with regulatory requirements that may affect them.

Information, estimates, and opinions furnished to Greenfield Environmental contained in this report, were obtained from sources that are considered and assumed to be reliable, and believed to be true and correct. Greenfield Environmental assumes no responsibility for any inaccuracies in such items which may be revealed as a result of subsequent action, either by Greenfield Environmental or others. These occurrences are beyond our control.

Any site plans or drawings show approximate dimensions and are included in this report to assist the client in visualizing the site and the surroundings, and not to give a necessarily accurate dimensional representation of the site. No survey was conducted on the subject property. Greenfield Environmental or its representative has made no agreement to give legal testimony nor to appear in court or other hearings, formal or informal, as part of the PSA with the client or any party involved with the property. The client may make separate arrangements with Greenfield Environmental for testimony required now or in the future. Conclusions drawn from the results of this assessment are limited by the methods used and do not represent a warranty that all areas within the subject property are in the same condition. All portions of this report, including the assessment summary and limitations, are an integral part of this Phase I ESA and should not be separated from any other portion of the report.

2.4 Limitations and Exceptions

Greenfield Environmental, Inc.

Excluded from said contract is any actual physical determination or delineation of wetlands on the subject property, actual testing for radon gas on the subject property; the existence of any endangered species within the property; the location of any well field protection areas; urea formaldehyde insulation, or testing for lead within any structures on the subject property; or the existence of the "sick-building" syndrome within any structure on the subject property, determination of compliance with Activity and Use Limitations (AUL's), lead in drinking water determination, regulatory compliance, cultural and historical resources, industrial hygiene issues, health & safety issues, other ecological issues, indoor air quality issues, determination of on-site biological agents and mold issues. This report has presented and discusses the environmental condition of the subject property as of the date of our site inspection only and does not imply that the subject property will remain in that condition in the future. Assessment of the threat of contamination from adjacent properties is limited to a non-intrusive inspection and visual observations of the adjacent properties from the subject property and surrounding or adjoining properties, and a review of the records listed. Information for this assessment was obtained through a site visit, interviews with employees at the agencies or businesses listed, and the review of documents listed.

2.5 Special Terms and Conditions

This Phase I ESA was conducted in accordance with the scope and limitations of the 2005 EPA's Final All Appropriate Inquiry (AAI) Standard (40 CFR 312), in compliance with the American Society for Testing and Materials (ASTM) Practice E-1527-05, and in accordance with procedures, practices and standards generally accepted and customary in the consultant's profession for use in similar assignments.

2.6 User Reliance

This Phase I ESA report, conducted at the above-captioned site by Greenfield Environmental was prepared for and is certified to the City of St. Petersburg. Furthermore, the City of St. Petersburg can rely entirely on this report as part of their due diligence process. The use of this report by an unauthorized third party is done so at their own risk.

3.0 SITE DESCRIPTION

3.1 Site Location and Legal Description

The subject property, approximately 2.5 acres in size, consists of two (2) vacant parcels. The subject site is located in a residential/commercial area in Section 30, Township 31, Range 17 in Pinellas County, Florida. See **Appendix I** for a site vicinity map showing the general area of the subject site.

According to Pinellas County Property Appraiser records, the Parcel ID number is as follows:

West Parcel: ROYAL POINCIANA KAMMAN PART. REP. LOT 1

East Parcel: ROYAL POINCIANA LOTS 1,2,3,4,5 AND 6

See **Appendix II** for a site plan showing the significant features of the subject property.

3.2 Site and Vicinity General Characteristics

The subject site currently consists of vacant, grassy land. The immediate area around the subject site is characterized by residential and commercial properties. Access to the subject site is via 4th Street South and 11th Avenue South.

3.3 Current Use of the Property

The property is currently undeveloped and is listed for "Vacant Commercial Land" usage.

3.4 Description of Structures, Roads and Other Improvements on the Property

No structures exist on the subject property. A dirt path was observed on the east portion of the site where the former alley is believed to have been.

3.5 Heating & Cooling Systems / Sewage Disposal / Source Of Potable Water

No structures exist on the subject property.

3.6 Current Use Of the Adjoining Properties

Our representative observed the adjacent land uses during the time of the site visit by traversing the area around the property.

Brooker Creek is present along the west and south boundaries of the subject property. The adjacent properties to the north (across 11th Ave. S.) consist of single family residences and a vacant thrift store. The adjacent properties to the south (across Brooker Creek) consist of an apartment building and a commercial strip mall. The adjacent property to the east (across 4th St. S.) consists of a road construction staging lot.

Photographs of the subject property and its surroundings are included as Appendix III.

4.0 USER PROVIDED INFORMATION

4.1 Environmental Liens or Activity and Use Limitations (AUL's)

As part of the User Information requirements for this Phase I ESA, an Environmental Lien Search for the subject site was conducted by Pinellas Park Title Co. The results of the search were forwarded to Greenfield Environmental and did not identify any Environmental Liens attached to the subject site.

On September 30, 2013 a conversation was conducted with Ms. Evelyn Cary of Pinellas Park Title Co. She stated that no Environmental Liens attached to the subject property were discovered during the records search. A copy of the e-mail from Ms. Cary confirming the results of the Environmental Lien Search is enclosed in **Appendix VI**.

4.2 Specialized Knowledge

Pursuant to ASTM E 1527-05, user supplied information in the form of User Questionnaires were forwarded to Greenfield Environmental. These questionnaires can be found in **Appendix VIII**. The questionnaires were completed by Mr. Mike Psarakis, Senior Real Estate Coordinator with the City of St. Petersburg, and Mr. Scott Nolin, Executive Director of Facilities Management at All Children's Hospital. The questionnaires did not reveal any issues that would indicate Recognized Environmental Conditions (REC's). The users have not disclosed any specialized knowledge pertaining to the subject property or surrounding areas or properties that might be material to identifying any Recognized Environmental Conditions in connection to the subject site.

Prior Assessment Activities

A Phase I ESA report, dated September 28, 1995, was conducted by The Genstar Corporation on behalf of the current property owner, All Children's Hospital, and forwarded to GE by Mr. Scott Nolin. This report was reviewed for informational purposes only.

4.3 Commonly Known or Reasonably Ascertainable Information

No other significant information pertaining to the subject site was discovered during this Phase I ESA which would be indicative of a potential release or threatened release.

4.4 Valuation Reduction for Environmental Issues

The prospective property owner has not disclosed or provided any information regarding the relationship of the purchase price for the property to its fair market value based on any contamination issues.

4.5 Owner, Property Manager, and Occupant Information

Greenfield Environmental interviewed Mr. Scott Nolin, Executive Director of Facilities Management at All Children's Hospital. Mr. Nolin did not provide any specialized knowledge pertaining to the

subject property or surrounding areas or properties that might be material to identifying any Recognized Environmental Conditions in connection to the subject site.

4.6 Reason for Performing Phase I ESA

This Phase I ESA is being conducted in conjunction with the potential purchase of the subject site by the City of St. Petersburg. This Phase I ESA was performed in order to assess the subject property for existing or threatened contamination from the sources listed within this report.

5.0 RECORDS REVIEW

5.1 Standard Environmental Record Sources

Records from regulatory and enforcement agencies from Federal, State, Tribal, Regional and Local County agencies were obtained regarding information, registrations, investigations, violations, spills, complaints or enforcement actions relating to subject property, adjacent properties and for properties within a 1-mile radius of the subject property's approximate location. All distances of the sites listed in the database report, in relation to the subject site, are approximations.

Environmental Data Resources (EDR) located in Milton, Connecticut was engaged by Greenfield Environmental to review several data base lists which are generated by the FDEP and the USEPA which identify and locate facilities that are regulated or tracked by the FDEP and the USEPA; and ones which may transport, store, generate, treat or dispose of hazardous substances and wastes. The information from these various lists, each identified facility with a USEPA or FDEP designation that was within a 1-mile radius of the subject property's approximate location was then plotted on an area map. The environmental records mentioned above are the Standard Environmental Record Resources that are listed within the EPA's AAI standard and the ASTM E1527-05 practice. The above data search can be found in **Appendix V** of this report.

NPL Sites

The USEPA's National Priorities List (NPL) was checked for any sites on the subject property or adjoining properties. The NPL is a national list of abandoned or uncontrolled hazardous waste sites which have been scored by USEPA according to a hazard ranking system that assesses the health and environmental threat posed by sites with confirmed contamination. The NPL is used by the USEPA to prioritize sites scheduled for cleanup action.

Subject Property

The subject property is not currently identified as a NPL site.

Surrounding Properties / 1-Mile Radius

No NPL sites are located within a 1-mile radius of the subject property.

De-Listed NPL Sites

The USEPA's De-Listed National Priorities List (NPL) was also checked for any sites on the subject property or adjoining properties which have been removed from the above data base.

Subject Property

The subject property is not currently identified as a De-Listed NPL site.

Surrounding Properties / 1/2-Mile Radius

No De-Listed NPL sites are located within a 1/2-mile radius of the subject property.

CERCLIS and CERCLIS NFRAP Sites

The CERCLIS (Comprehensive Environmental Response, Compensation, and Liability Index System) is a list of sites that the USEPA is investigating for an existing or potential release of hazardous substances. However, USEPA advises that the list contains only those sites that have been brought to the attention of USEPA, and therefore, it cannot claim that the list contains all potential hazardous waste sites that may exist. CERCLIS NFRAP sites are CERCLIS Sites that may still be contaminated, however, the EPA has No Further Remedial Action Planned for these sites.

Subject Property

The subject property is not currently identified as a CERCLIS or CERCLIS NFRAP site.

Surrounding Properties / 1/2-Mile Radius

The following facility was found on the CERCLIS NFRAP list within a 1/2-mile radius of the subject site:

<u>Site Name:</u>	<u>Location:</u>	<u>Distance / Direction From Site:</u>
Resource Recovery of America	100 14 th Ave S	0.345-mi / ESE

Based on this site's distance from the subject site and the direction of groundwater flow, this site does not pose an environmental risk to the subject site.

RCRA CORRACTS Sites

The USEPA RCRA CORRACTS is a USEPA data base which identifies hazardous waste handlers with RCRA corrective action activity.

Subject Property

The subject property is not currently identified as a RCRA CORRACTS site.

Surrounding Properties / 1-Mile Radius

No RCRA CORRACTS sites are located within a 1-mile radius of the subject property.

RCRA TSD Sites

The RCRA TSD list is a USEPA data base which stores records and information on facilities which Treat, Store or Dispose of hazardous waste and substances.

Subject Property

The subject property is not currently identified as a RCRA TSD site.

Greenfield Environmental, Inc.

Surrounding Properties / 1-Mile Radius

No RCRA TSD sites are located within a 1-mile radius of the subject property.

RCRA Generator Sites

The Resource Conservation and Recovery Act Index System list (RCRIS) is a federal data base maintained by the USEPA containing information regarding RCRA (Resource Conservation and Recovery Act) facilities which generate and transport hazardous waste, and facilities which treat, store or dispose such waste. Inclusion on RCRIS does not necessarily indicate contamination, but rather the potential for contamination due to the presence and handling of hazardous substances.

Subject Property

The subject property is not currently identified on the USEPA RCRA Generator list.

Surrounding Properties / 1/4-Mile Radius

Two (2) facilities were found on the RCRA Generator list within a 1/4-mile radius of the subject site:

<u>Site Name:</u>	<u>Location:</u>	<u>Distance / Direction From Site:</u>
Echelon Real Estate	1162 4 th St S	0.048-mi / SE (CESQG)
Florida Power Corp - Bayboro Plant	1300 3 rd St S	0.170-mi / SE (CESQG)

Based on records reviewed, these sites' distances from the subject site and the direction of groundwater flow, these sites do not pose an environmental risk to the subject site.

Federal Institutional Control / Engineering Control Registries

Institutional Controls or Engineering Controls that have been recorded in public property records due to the presence of on-site contamination or likely presence of on-site contamination due to historical activities or operations on the subject site are contained within this database.

Subject Property

The subject property is not currently identified within any Institutional Control or Engineering Control Registries.

Surrounding Properties / 1/2-Mile Radius

No Institutional Control or Engineering Control Registries sites are located within a 1/2-mile radius of the subject property.

ERNS Sites

The Emergency Response Notification System is a USEPA data base which stores records and information on facilities which have had reported spills or releases of oil and hazardous substances.

Subject Property

The subject property is not currently identified in the USEPA ERNS list.

Surrounding Properties / 1/8-Mile Radius

No USEPA ERNS sites are located within a 1/8-mile radius of the subject property.

State / Tribal / Local / Regional Records Reviewed

The following reference sources are published by the Florida Department of Environmental Protection and were reviewed by Greenfield Environmental:

- Registered Storage Tank list (UST/AST)
- Leaking Registered Storage Tank list (LUST/LAST)
- State Spills 90 list
- State/Tribal list
- Solid Waste or Landfill Facilities list (SWL)
- Registered Drycleaning Facilities list
- Florida Drycleaning Solvent Cleanup Program Priority Ranking list
- Voluntary Cleanup Sites list (VCP)
- State Engineering/Institutional Controls (EC/IC)
- Brownfield Sites list

These reports generally present information regarding industrial or commercial facilities and the presence or potential for contamination due to hazardous substances / wastes or petroleum products.

Subject Property

The subject site was not found on the State Registered Storage Tank list:

Surrounding Properties / 1/4-Mile Radius

The following ten (10) facilities were found on the State Registered Storage Tank list within a 1/4-mile radius of the subject site:

<u>Site Name:</u>	<u>Location:</u>	<u>Distance / Direction From Site:</u>
<i>Equal/Higher Elevation</i>		
Reb's Station	1038 4 th Street S	0.069-mi / NE
Poynter Book Storage	921 3 rd Street S	0.126-mi / ENE
Greyhound Lines Inc	870 4 th Street S	0.177-mi / NNE
University of South FL	3 rd Street S	0.248-mi / NNE
All Childrens Hospital	550 5 th Avenue S	0.190-mi NW(AST)
<i>Lower Elevation</i>		
Talquin Development	1135 3 rd Street S	0.128-mi / ESE
Salvation Army Emerg	1400 4 th Street S	0.197-mi S
Southside Car Wash	1461 4 th Street S	0.199-mi / S
Lazzara Oil Co-Wareh	1330 2 nd Street S	0.241-mi / ESE
Bayboro Station	263 13 th Avenue S	0.123-mi / SE (AST)

Greenfield Environmental, Inc.

Based on records reviewed and it's proximity to the subject site, the former service station located at 1038 4th Street South is considered a REC.

Based on records reviewed, these sites' distances from the subject site and the direction of groundwater flow, the remaining listed sites do not pose an environmental risk to the subject site.

Subject Property

The subject site was not found on the Leaking State Registered Storage Tank list.

Surrounding Properties / 1/2-Mile Radius

The following twenty-one (21) facilities were found on the Leaking State Registered Storage Tank list within a 1/2-mile radius of the subject site:

<u>Site Name:</u>	<u>Location:</u>	<u>Distance / Direction From Site:</u>
<i>Equal/Higher Elevation</i>		
Poynter Book Storage	921 3 rd Street S	0.126-mi / ENE (LUST)
Greyhound Lines Inc	870 4 th Street S	0.177-mi / NNE (LUST)
All Childrens Hospital	801 6 th Street S	0.270-mi / NW (LUST)
All Childrens Hospital	527 5 th Street S	0.419-mi N (LUST)
Salt Creek Landings	101 16 th Avenue S	0.428-mi / SE (LUST)
St. Petersburg City	500 4 th Street S	0.462-mi N (LUST)
Sun City Food Mart	1300 9 th Street S	0.475-mi / W (LUST)
Sunshine Store	901 9 th Street S	0.497-mi WNW (LUST)
<i>Lower Elevation</i>		
Salvation Army Emerg	1400 4 th Street S	0.197-mi S (LUST)
Southside Car Wash	1461 4 th Street S	0.199-mi / S (LUST)
Lazzara Oil Co-Warehouse	1330 2 nd Street S	0.241-mi / ESE (LUST)
Harborage Marina LLC	1500 2 nd Street S	0.312-mi SE (LUST)
Phillips John	1600 South 3d St	0.327-mi / SSE (LUST)
Flowers Baking Co	429 Preston Avenue S	0.328-mi / S (LUST)
Western Properties	100 14 th Avenue S	0.345-mi / ESE (LUST)
St. Petersburg City - A	107 8 th Avenue SE	0.382-mi / NE (LUST)
University of South FL	140 7 th Avenue S	0.395-mi / NE (LUST)
University of South FL-ST	140 7 th Avenue S	0.395-mi / NE (LUST)
Pinellas Seafood	1301 Bay Street SE	0.412-mi / E (LUST)
Lakeside Colonial AP	601 18 th Avenue S	0.481-mi / S (LUST)
Echelon Development	2 nd Street & 13 th Ave S	0.232-mi / ESE (LAST)

Based on records reviewed, these sites' distances from the subject site and the direction of groundwater flow, these sites do not pose an environmental risk to the subject site.

Subject Property

The subject site was not found on the Voluntary Cleanup Sites list.

Surrounding Properties / 1-Mile Radius

No Voluntary Cleanup sites are located within a 1/2-mile radius of the subject property.

Subject Property

The subject site was not found on the Solid Waste Facilities list.

Surrounding Properties / 1/2-Mile Radius

No Solid Waste Facilities sites are located within a 1/2-mile radius of the subject property.

Subject Property

The subject site was not found on the State Institutional / Engineering Controls sites list.

Surrounding Properties / 1/2-Mile Radius

The following facility was found on the State Institutional Controls sites list within a 1/2-mile radius of the subject property.

<u>Site Name:</u>	<u>Location:</u>	<u>Distance / Direction From Site:</u>
Poynter Book Storage	921 3 rd St S	0.126-mi / ENE

Based on records reviewed and this site's distance from the subject site, this site does not pose an environmental risk to the subject site.

Subject Property

The subject site was not found on the local county Brownfield list.

Surrounding Properties / 1/2-Mile Radius

One (1) Brownfield site was found to be on the State/Tribal Brownfield list within a 1/2-mile radius of property. Based on records reviewed, this listing is not believed to pose an environmental risk to the subject site at this time.

Additional Environmental Records

Subject Property

The subject site was not found on the Florida Sites list.

Surrounding Properties / 1/2-Mile Radius

Two (2) facilities were found on the Florida Sites list within a 1-mile radius of the subject site:

<u>Site Name:</u>	<u>Location:</u>	<u>Distance / Direction From Site:</u>
Equal/Higher Elevation Florida Suncoast Dome	3 rd Avenue South	This facility's proximity was

incorrectly listed as being close to
the subject site.

Lower Elevation

Resource Recovery of America

100 14th Ave S

0.345-mi / ESE

Based on these sites' distances from the subject site and the direction of groundwater flow, these sites do not pose an environmental risk to the subject site.

Subject Property

The subject property is not currently identified on the USEPA RCRA Non-Generator/NLR list.

Surrounding Properties / 1/4-Mile Radius

Two (2) facilities were found on the RCRA Non-Generator/NLR list within a 1/4-mile radius of the subject site:

<u>Site Name:</u>	<u>Location:</u>	<u>Distance / Direction From Site:</u>
Oravistal Co. Inc.	1420 4 th St S	0.210-mi / S
Lazzara Oil Co. Inc.	222 14 th Ave S	0.248-mi / SE

Based on these sites' distances from the subject site and the direction of groundwater flow, these sites do not pose an environmental risk to the subject site.

5.11 Review of Pertinent Regulatory Files

Files were reviewed at the Florida Department of Environmental Protection (FDEP) Southwest District Office, the Data Management System maintained by the FDEP (OCULUS) and/or the City of St. Petersburg to determine the potential threat of contamination from the facilities in closest proximity to the subject property due to the migration of hazardous materials / wastes or petroleum products in the groundwater or soil. Files reviewed revealed the following information:

Reb's Station aka Rickert's Texaco Service (Facility Site ID #52-8515502) is a former service station located approximately 0.069 miles northeast of the subject site. This property is currently developed as a parking lot for the University of South Florida - St. Petersburg. Regulatory records for this facility indicate that two (2) UST's (one 3,000-gallon and one 4,000-gallon) were abandoned in place at the site. The former owner indicated that the empty tanks were filled with sand in 1987. No assessment records for this site were available for review. Groundwater flow maps from nearby assessed sites indicate that groundwater flows to the southwest, towards the subject property. **Based on the potential that these UST's may have had historic leaks and no assessment records were available for review, this site is considered a REC at this time.**

The remaining sites listed on the EDR Radius Search were either too distant from the subject site or located in a down-hydrologic gradient direction, and are therefore not believed to represent Recognized Environmental Conditions (RECs).

5.12 Additional Environmental Record Sources

Property Cards and Property Appraiser information for the subject site were viewed in order to determine the information about the subject site, age of any structures that may be present on-site and any environmental concerns that may be evident. Property cards for the site are included in **Appendix VI**.

Abandoned Dump Site: Greenfield Environmental discovered no evidence during the course of this Phase I ESA to indicate the presence of an abandoned dump site on or adjacent to the subject property.

5.13 Physical Setting

The elevation of the site is approximately five (5) feet above sea level and the groundwater flow appears to be to the south/southeast. The surface topography in the area consists of a level grade. Various surface and subsurface features, groundwater withdrawals and seasonal fluctuations in rainfall can affect groundwater depth and direction.

The N.R.C.S. National Cooperative Soil Survey (Web Soil Survey 2.0) identifies the surficial soils at the subject property is Urban Land-Astatula and Wabasso Soils complex. A detailed soil map for the subject property is included in **Appendix VI**.

Hydrology / Groundwater Characteristics

Groundwater flow direction in the surficial aquifer generally conforms with area topographic relief. Discharge areas are generally in creeks, lagoons, intercostal waterways, bays and Tampa Bay. Groundwater recharge within the surficial aquifer occurs primarily from downward infiltration of precipitation.

The water table of the surficial aquifer is typically located at depths ranging from 8 feet to 10 feet below land surface, however, the water table may be influenced by occurrences such as local rainfall, pumping, and drainage control measures implemented by the Southwest Florida Water Management District.

Based on the St. Petersburg, Florida U.S.G.S. Quadrangle Map (photorevised 1987) as shown in **Appendix VI**, the elevation of the site is approximately 5 feet above sea level. The direction of groundwater flow in the surficial aquifer is most likely to the south/southeast, based on the U.S.G.S. Quadrangle Map, although groundwater flow from assessments conducted nearby the subject site show the groundwater direction flow to be to the southwest.

5.14 Historical Use Information on the Subject Property and/or Adjoining Properties

Aerial Photograph Review

Aerial photographs were examined for the purpose of determining whether the property and adjacent properties have been used for industrial or landfill purposes, if any obvious detrimental uses of the subject property could be ascertained and to observe development trends in the area.

Greenfield Environmental, Inc.

Aerials dated 1926, 1952, 1962, 1970, 1973, 1984, 1986, 1991, 1993, 2000, 2002, 2005, 2007, 2009, 2010 and 2013 were available for review through EDR Records and the Pinellas County Public GIS and Google Maps websites. A copy of the 2013 aerial photograph is provided in **Appendix IV** of this report.

- 1926: The subject site and its surrounding areas appear as developed land, but due to the poor quality of the photograph, no discernible features about the site and its surroundings were identified.
- 1952-1991: The subject site appears developed with trailer homes on the west end of the site and motel/apartment structures on the east end. The properties to the west (across Brooker Creek) appear as single family residences. The properties to the south (across Brooker Creek) appear as an apartment building and a strip mall. These structures still exist at these locations today. The property to the southeast (across 4th St. S. and Brooker Creek) appears as a utility transformer station, which still exists there today. The property to the east (across 4th St. S.) appears developed with several large commercial structures. The property to the northeast (across 4th St. S. and 11th Ave. S.) appears as a service station. The properties to the north (across 11th Ave. S.) appear as single family residences and a commercial structure at the NE corner. These structures still exist at these locations today.
- 1993-2002: The subject site first appears as vacant land in the 1993 aerial photograph. The residential properties to the west and the former service station to the northeast first appear as vacant land in the 2002 aerial photograph.
- 2005-2013: The subject site appears as a construction staging lot for All Children's Hospital. The properties to the east first appear as vacant land in the 2007 aerial photograph and then as a road construction staging lot in the 2009 aerial photograph.

The subject site and its surroundings appear today much as they did in the 2013 aerial photograph, although the subject site is no longer being utilized as a construction staging lot. No trailers or equipment were viewed on the subject site during the site inspection.

After close examination of all the aerials listed above, it was concluded that there is no evidence of dumping and or landfill activity associated with the subject property or adjacent properties in the vicinity. The subject site appears to have been developed as early as 1926.

Sanborn Fire-Insurance Map Review

An extensive on-line collection of Sanborn Maps is available through the Florida Public Library System. Sanborn Fire Insurance Maps were used by insurance companies to determine potential fire hazards for specific buildings. This was accomplished by color coding building construction, labeling automatic sprinkler systems, fire hydrants, and gas tanks as well as facilities that may

contain other flammable liquids.

This research revealed that Sanborn maps were available for the subject property for the years 1918, 1923, 1951, 1952 and 1966. The 1918 and 1923 Sanborn Maps shows no structures on the subject site and only limited residential development in the vicinity of the site. The 1951, 1952 and 1966 Sanborn Maps show the subject site developed with "The Colonials" apartments and trailer park. In addition, the property to the northeast appears developed with a "filling station" and the property to the east appears developed with a "laundry and drycleaners".

Historical City Directory Review

Greenfield Environmental reviewed historical City Directories (since 1925) at the Pinellas County Public Library located in St. Petersburg, Florida. Address listings were as follows:

1925-2005: The west portion of the subject site (418 & 420 11th Avenue South) was first listed as residences in the 1925-1935 city directories. It was then listed as the Klose-In Trailer Park in the 1945 to 1985 city directories.

The east portion of the subject site (1101 4th Street South) was listed as the Colonials Apartments in the 1945 to 1985 city directories. No listings for the subject site were identified after the 1985 listing.

The adjacent property to the north (1041 4th Street South) was listed as an auto repair shop in the 1935-1940 city directories. No suspect listings for this address were identified after the 1945 listing.

The adjacent property to the northeast (1038 4th Street South) was listed as a service station in the 1954-1985 city directories. No suspect listings for this address were identified after the 1985 listing.

The adjacent property to the east (1160 4th Street South) was listed as a drycleaning plant in the 1954-1985 city directories. No suspect listings for this address were identified after the 1985 listing.

The adjacent property to the east (1166 4th Street South) was listed as auto repair shop in the 1954-1985 city directories. No suspect listings for this address were identified after the 1985 listing.

50-Year Chain of Title

No title search documentation for the subject property was provided to GE by our client, the City of St. Petersburg, in order to determine past owners of the site and to reveal publicly recorded ownership of the property. As a result, GE claims no liability for any information that may be contained in any Chain of Title documentation for the subject property.

Greenfield Environmental, Inc.

6.0 SITE RECONNAISSANCE

6.1 Methodology and Limiting Conditions

The site inspection and reconnaissance was conducted on September 16, 2013 by Environmental Professionals (EP) Nick Eilerman and James Greenfield. The EP traversed all readily accessible portions of the subject property. It is important to note that all but an exhaustive investigation might fail to locate buried, covered over or localized surficial events of hazardous materials or wastes on-site that are not reasonably visible or suspected at the ground surface. The client should realize that the subject property, which in our opinion, did not exhibit evidence that toxic or hazardous wastes were at the ground surface during our site inspection and field work, except as qualified herein, could later be impacted due to natural phenomena, human intervention, on-site pollution sources or contamination due to adjacent properties. These occurrences are beyond our control. Greenfield Environmental assumes that there are no hidden or unapparent environmental conditions of the site, subsoil, groundwater, structures or surroundings which would have an adverse effect on the subject property whether the source is on-site, adjacent properties, or properties in the nearby surrounding. This purpose of this Phase I ESA was not to provide an operational audit of any businesses at the site, if any, which would determine their compliance with regulatory requirements that may affect them. Greenfield Environmental or its representatives have conducted no off-site tests or evaluations of materials or substances found on the site for the purpose of assessing the presence of environmental Conditions not readily apparent during our visual observations made during the site visit. Information, estimates, and opinions furnished to Greenfield Environmental and its representatives, and contained in this report, were obtained from sources that are considered and assumed to be reliable, and believed to be true and correct. Greenfield Environmental and its representatives assumes no responsibility for any inaccuracies in such items which may be revealed as a result of subsequent action, either by Greenfield Environmental or others. These occurrences are beyond our control.

6.2 General Site Setting / Interior & Exterior Observations

On-Site Operations and Activities

Please refer to **Section 3.3.**

Underground/Aboveground Petroleum Storage Tanks

No regulated petroleum Underground Storage Tanks (USTs) or Aboveground Storage Tanks (ASTs) were observed on the subject property. No registrations for petroleum AST's or UST's were discovered during this ESA. Based on the residential nature of the property, the potential exists that an underground heating oil tank(s) may have been used and may still remain at the site.

Hazardous Substance or Petroleum Product Use, Storage and Disposal Practices

No hazardous substances or petroleum products are currently being stored at the vacant property.

Domestic Solid or Liquid Waste Disposal Practices

No solid or liquid waste is currently generated at the vacant property.

Greenfield Environmental, Inc.

Odors

No chemical, petroleum or any other foul odors were physically observed or noted during the site inspection.

Pools Of Liquid

No standing pools of liquid (other than water) were physically observed or noted during the site inspection. A small excavation pit was observed at the north end of the property's right-of-way where the sidewalk had been removed.

Limited Polychlorinated Biphenyls (PCBs) Survey

Our representative conducted a limited site survey for the presence of PCB-containing or PCB-contaminated equipment consisting of visual observations for the presence of transformers, capacitors, and hydraulic equipment. Dielectric fluid and hydraulic oils containing PCBs was widely used in such equipment until 1979 when the U.S. EPA restricted such use. It is thought that most PCB production ceased around 1972. Many utilities, have since acted to replace PCB-containing and PCB-contaminated transformers and capacitors.

No transformers, capacitors or hydraulic equipment (elevators, in-ground lifts, etc.) were observed on-site by our representative during the limited PCB-survey.

Impacted Soil or Distressed Vegetation

The subject property and all readily accessible areas of the subject site were traversed by a representative from Greenfield Environmental. Soils and vegetation on the subject property and peripheral areas were observed for visual and olfactory signs of degradation by hazardous substances and or petroleum products. No evidence of soil and vegetative distress or degradation was observed by the representative during the site inspection. No evidence of waste dumping, such as stockpiled debris, mounds, or depressions were observed on the subject property.

Drains / Sumps

No evidence of drains or sumps were observed by the representative during the site inspection.

Stained Concrete or Asphalt

No evidence of significant stained asphalt or concrete was observed by the representative during the site inspection.

7.0 INTERVIEWS

As part of this Phase I ESA, Greenfield Environmental interviewed several individuals in order to collect additional information concerning historical and present uses of the subject property.

7.1 Interview with Owner

Pursuant to ASTM E 1527-05, user supplied information in the form of User Questionnaires were forwarded to Greenfield Environmental. These questionnaires can be found in **Appendix VIII**. The questionnaires were completed by Mr. Mike Psarakis, Senior Real Estate Coordinator with the City of St. Petersburg, and Mr. Scott Nolin, Executive Director of Facilities Management at All Children's Hospital. The questionnaires did not reveal any issues that would indicate Recognized Environmental Conditions (REC's). The users have not disclosed any specialized knowledge pertaining to the subject property or surrounding areas or properties that might be material to identifying any Recognized Environmental Conditions in connection to the subject site.

7.2 Interview with Site Manager

None.

7.3 Interview with Occupants

None.

7.4 Interview with Local Government Officials

None.

7.5 Interview with Others

See Section 4.1.

8.0 FINDINGS / OPINIONS / CONCLUSIONS & RECOMMENDATIONS

Based on the standardized research methods and resultant information contained within this Phase I Environmental Site Assessment, Greenfield Environmental has identified the following Recognized Environmental Conditions (RECs) in accordance with the 2005 EPA's Final All Appropriate Inquiry (AAI) Standard (40 CFR 312) and in compliance with the American Society for Testing and Materials (ASTM) Practice E-1527-05. An REC being defined by the AAI standard as an identified conditions indicative of releases or threatened releases of hazardous substances, and in the case of inquiries conducted for persons identified in §312.1(b)(2), conditions indicative of releases and threatened releases of pollutants, contaminants, petroleum and petroleum products, and controlled substances (as defined in 21 U.S.C. 802) on, at, in, or to the subject property.

POTENTIAL CONTAMINATION DUE TO SOURCES LOCATED ON THE SUBJECT PROPERTY:

Hazardous substance contamination: **No Recognized Environmental Conditions Identified**
Petroleum product contamination: **No Recognized Environmental Conditions Identified**

POTENTIAL CONTAMINATION DUE TO SOURCES LOCATED ON ADJACENT PROPERTIES:

Hazardous substance contamination:
One (1) Recognized Environmental Conditions Identified
Petroleum product contamination:
Three (3) Recognized Environmental Conditions Identified

POTENTIAL CONTAMINATION DUE TO SOURCES LOCATED WITHIN ½-MILE RADIUS:

Hazardous substance contamination: **No Recognized Environmental Conditions Identified**
Petroleum product contamination: **No Recognized Environmental Conditions Identified**

De Minimis Conditions

No de minimus conditions with respect to the subject property were discovered during this Phase I ESA. These observances are not considered to be REC's as defined by the EPA's AAI Standard.

OPINIONS

Greenfield Environmental has performed a Phase I Environmental Site Assessment in conformance with the scope and limitations of the EPA's AAI Standard at/on the subject property (Vacant Land located at 1101 11th Avenue South in St. Petersburg, Florida). Any exceptions to, or deletions from, this practice are described in this report. This assessment has revealed no evidence of Recognized Environmental Conditions (REC's) in connection with the property.

CONCLUSIONS / RECOMMENDATIONS

Based upon the REC's identified within **Section 1.0** of this report, Greenfield Environmental recommends that additional investigation be conducted at the subject site.

9.0 ADDITIONAL SERVICES

The following non-scope considerations were not performed as part of this Phase I ESA, and are not requirements of the EPA's AAI Standard or the ASTM E 1527-05 Practice; Asbestos Containing Materials (ACM), Radon, Lead-Based Paint, Lead In Drinking Water, Wetlands, Regulatory Compliance, Cultural And Historic Resources, Industrial Hygiene, Health & Safety, Ecological Resources, Endangered Species, Indoor Air Quality, Biological Agents and Mold.

The client may wish to assess the above issues in connection with a commercial real estate transaction. No implication is intended as to the relative importance of inquiry into such Non-Scope Considerations, and this list is not intended to be all inclusive.

10.0 REFERENCES & DEFINITIONS

References

- The Natural Resources Conservation Service (N.R.C.S.) National Cooperative Soil Survey (Web Soil Survey 2.0) available at <http://websol survey.nrcs.usda.gov/app/>
- U.S. Geological Survey (USGS), St. Petersburg, Florida Quadrangle, 7.5 minute series topographic map, photorevised 1987
- City of St. Petersburg Historical Property Cards
- Pinellas County Public Works-Aerial website and Pinellas County Public GIS website aerial photographs dated: 1926, 1952, 1962, 1970, 1973, 1984, 1986, 1991, 1993, 2000, 2002, 2005, 2007, 2009, 2010 and 2013
- Pinellas Historical City Directories: From 1925 until 2005
- Personal Interviews: - Mr. Mike Psarakis, Senior Real Estate Coordinator with the City of St. Petersburg
 - Mr. Scott Nolin, Executive Director of Facilities Management at All Children's Hospital
- NPL list for properties within a 1-mile radius (EPA)
- CERCLIS list for properties within a 1/2-mile radius (EPA)
- RCRA TSD list for properties within a 1-mile radius (EPA)
- RCRA CORRACTS list for properties within a 1-mile radius (EPA)
- RCRA Generator list for subject property and adjoining properties (EPA)
- ERNS list for subject property (EPA)
- Registered Storage Tank Listings for properties within a 1/8-mile radius (FDEP)
- Leaking Underground Storage Tank list for properties within a 1/2-mile radius (FDEP)
- State of Florida Hazardous Waste sites list for properties within a 1-mile radius (FDEP)
- State Landfill list for properties within a 1/2-mile radius (FDEP)
- Sanborn Fire-Insurance Maps dated: 1918, 1923, 1951, 1952 and 1966
- Pinellas County Property Appraiser, Pinellas County GIS and Google Maps websites

Definitions:

- **Adjacent Property** includes those sites separated from the subject property by an easement such as a street, highway, railroad, etc., which would otherwise be immediately adjoining the subject site.
- **Capacitor** - a device for accumulating and holding a charge of electricity and consisting of conducting surfaces separated by a dielectric (40 CFR 761.3); may contain a dielectric that contains PCB's.
- **Contamination** means a non-permitted release of a hazardous substance, petroleum substance or product or polychlorinated biphenyl in sufficient quantity to cause damage to natural resources.
- **Hazardous Substance** means those substances as defined by the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. 9601 (14), and includes any material that is toxic, flammable, explosive, or corrosive as these terms are defined by CERCLA. Excluded from this definition are petroleum substances or products as defined below.
- **Hazardous Waste** defined in RCRA (Section 1004(5)) as a solid waste, or a combination of solid wastes, which because of its quantity concentration, or physical, chemical, or infectious characteristics may (A) cause, or significantly contribute to an increase in mortality or an increase in serious, irreversible, or incapacitating reversible illness; or (B) pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise managed.
- **Not Observed** means no visual or olfactory evidence of contamination was noted during the site inspection.
- **Not Discovered** means no information regarding said contamination was obtained from persons interviewed and no information was discovered in the Regulatory records that were reviewed.
- **Non-PCB Containing** means that the dielectric fluid in the electrical unit contains less than 50 ppm of PCB's.
- **Poly-Chlorinated Biphenyl's (PCB's)** - a mixture of compounds composed of the biphenyl molecule which has been chlorinated to varying degrees or any combination of substances which contains such substances (40 CFR 761.3). A suspected human carcinogen.
- **PCB Contaminated** means that the fluid in the electrical unit contains between 50 to 499 ppm of PCB's.
- **PCB Transformer** means that the dielectric fluid in the electrical unit contains over 500 ppm of PCB's.
- **Petroleum Substance or Product** means any material containing refined or crude oil, or any fraction thereof, and includes natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel, or mixtures of natural gas and such synthetic gas. Hazardous substances as defined above are excluded.
- **Release** means such occurrences as defined by CERCLA, 42 U.S.C. 9601 (10), and includes any intentional or accidental discharging, spilling, leaking, pumping, pouring, emitting, injecting, escaping, leaching, dumping or disposing into the environment.
- **Transformer** - devices that change (transform) one potential difference (voltage) to another. Typically transformers contain a dielectric fluid that has the potential to contain PCB's if the unit was manufactured before 1979; however, it is thought that most PCB production was ceased by 1972.
- **EPA** means the Environmental Protection Agency
- **FDEP** means the Florida Department of Environmental Protection

Greenfield Environmental, Inc.

11.0 QUALIFICATIONS OF ENVIRONMENTAL PROFESSIONALS (EP'S)

"I declare that, to the best of my professional knowledge and belief, I meet the definition of *Environmental professional* as defined in Sec. 312.10 of 40 CFR 312. I have the specific qualifications based education, training, and experience to assess a *property* of the nature, history, and setting of the *subject property*. I have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312."

MR. NICK EILERMAN - PROJECT MANAGER

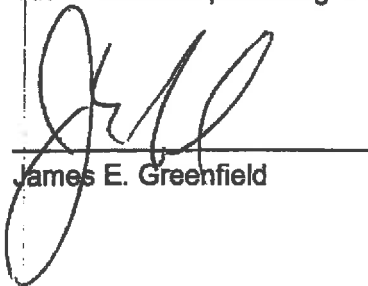
Mr. Eilerman holds a Bachelor of Science degree in Environmental Science & Policy from the University of South Florida- St. Petersburg. Mr. Eilerman has environmental-related work experience since 2005 and experience in assessing the risks associated with real-property transactions since 2006.

MR. JAMES E. GREENFIELD - PRINCIPAL


Mr. Greenfield holds a Bachelor of Arts degree in Biology from the University of South Florida. Mr. Greenfield has environmental-related experience in assessing the risks associated with real-property transactions since 1989.

12.0 SIGNATURES OF ENVIRONMENTAL PROFESSIONALS (EP'S)

The discussions and conclusions contained in this Phase I ESA report have been reviewed by James E. Greenfield with Greenfield Environmental. This Phase I ESA was performed under the direct supervision of one or more of the Environmental Professionals (EP's) listed below and is found to conform to standard practices pursuant to the 2005 EPA's Final All Appropriate Inquiry (AAI) Standard (40 CFR 312) and in compliance with the American Society for Testing and Materials (ASTM) Practice E-1527-05. The professional services discussed herein have been performed using that degree of care and skill ordinarily exercised under similar circumstances by other scientists practicing in this field.


James E. Greenfield

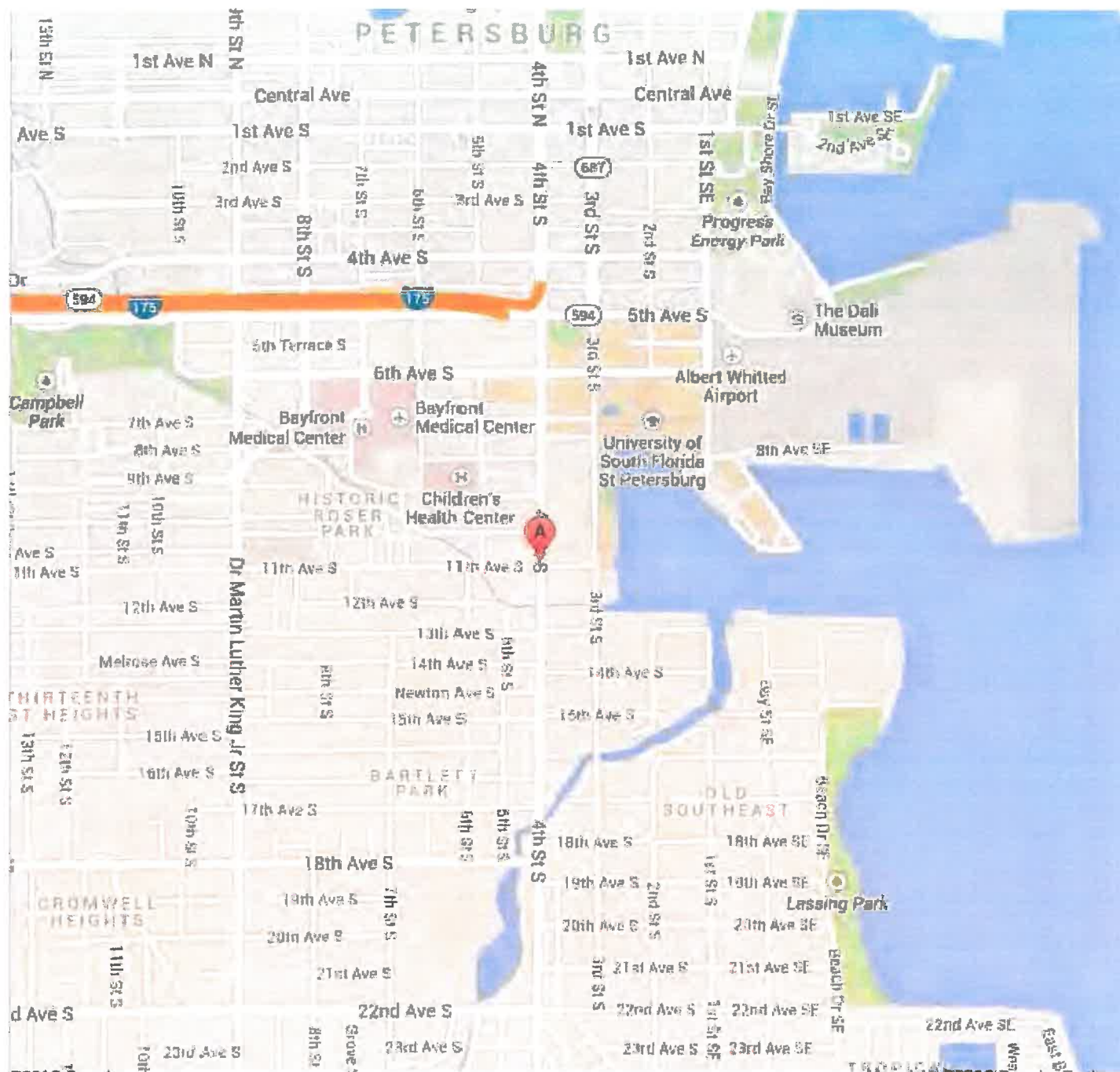
10-7-13
Date



Nick Eilerman

10-7-13
Date

APPENDIX I

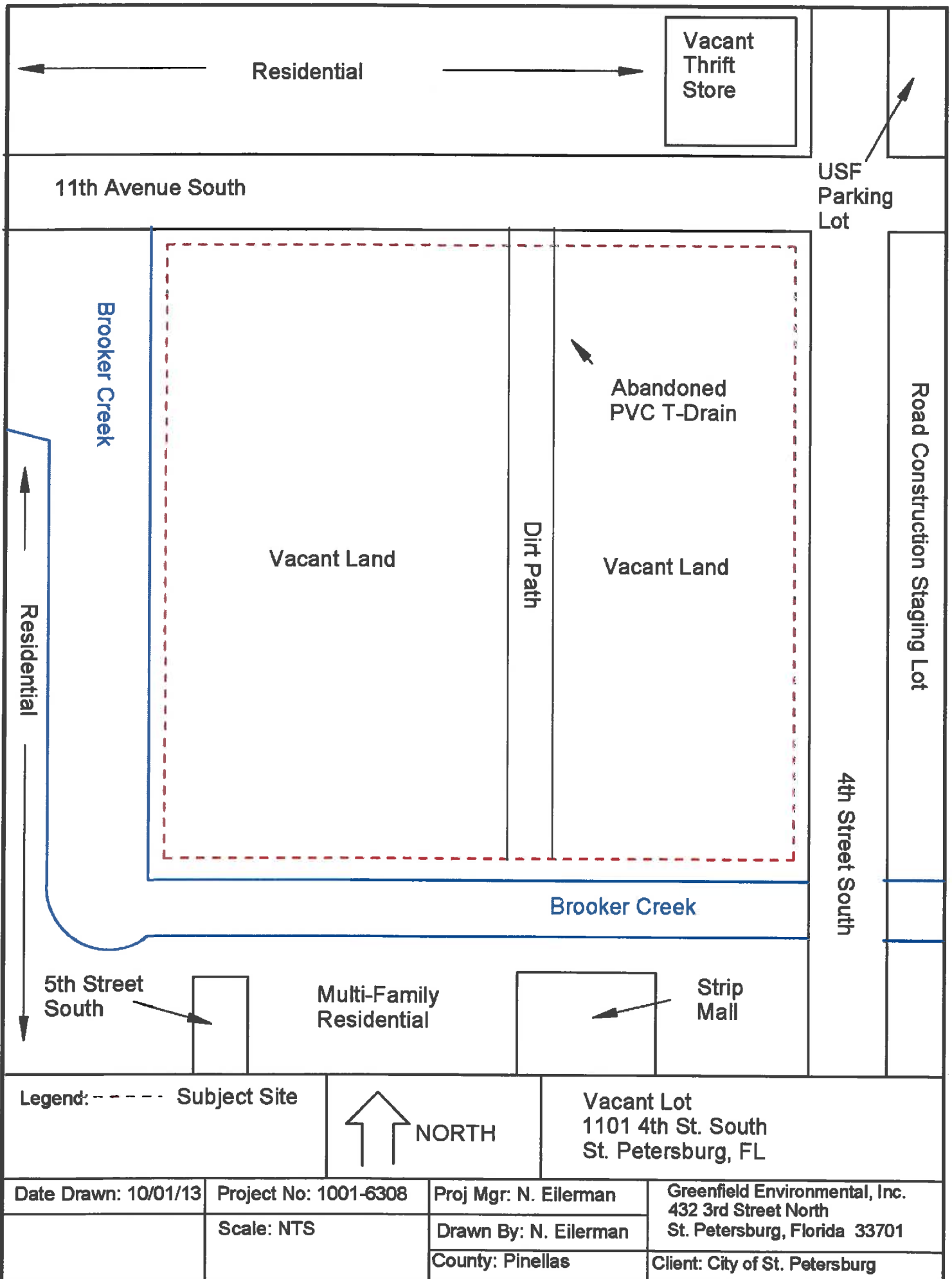
SITE VICINITY MAP



Source: Google Maps	 NORTH		SITE VICINITY MAP Vacant Property Parcel "B" SW Corner of 4 th St. S & 11 th Ave. S. St. Petersburg, Florida	
Client: City of St. Petersburg	Project Number: 1001-6308	Project Manager: Nick Eilerman	Greenfield Environmental, Inc. 432 3 rd Street North St. Petersburg, Florida 33701	
	Scale- NTS	County: Pinellas		

APPENDIX II

SITE PLAN



APPENDIX III

SITE PHOTOGRAPHS

View of subject property and 4th St. South, facing southwest (right) and northwest (below).



Typical view of subject property interior (above) and western boundary along Brooker Creek, facing south (left).





Views of subject property interior areas (above, right and below).



PVC piping protruding from surface at the subject site (right).



Brooker Creek,
along west
boundary (right)
and south
boundary (below).




Excavation pit at
north sidewalk
area on the
subject property
(right).



APPENDIX IV

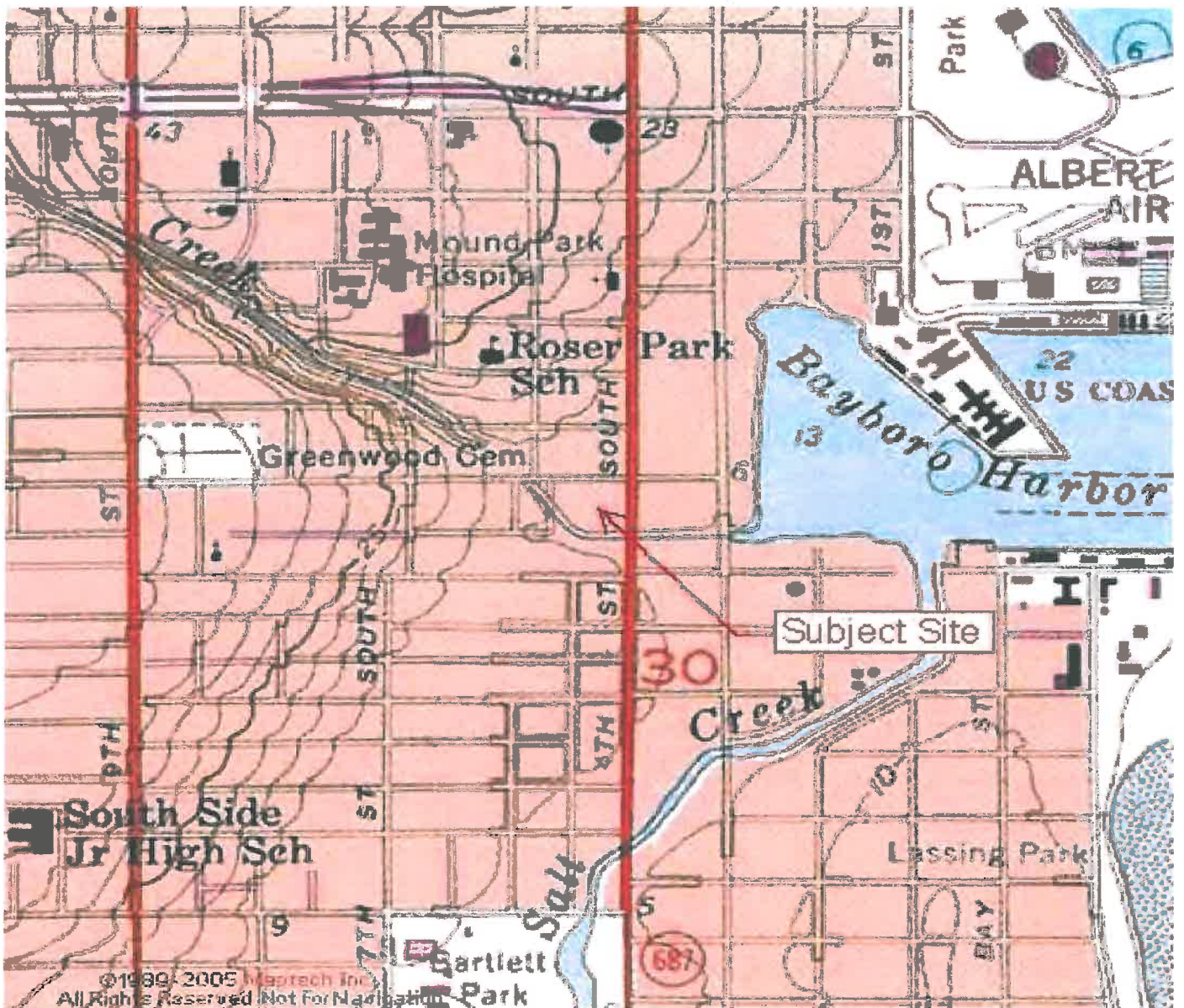
AERIAL PHOTOGRAPHS




Source: Google Maps	 NORTH		2013 AERIAL PHOTOGRAPH Vacant Property Parcel "B" SW Corner of 4th St. S & 11th Ave. S. St. Petersburg, Florida	
Client: City of St. Petersburg	Project Number: 1001-6308	Project Manager: Nick Eilerman	Greenfield Environmental, Inc. 432 3rd Street North St. Petersburg, Florida 33701	
	Scale- NTS	County: Pinellas		

APPENDIX V

USGS QUADRANGLE MAP



Source: USGS St. Petersburg, FL Quadrangle	 NORTH	USGS TOPOGRAPHY MAP Vacant Property Parcel "B" SW Corner of 4 th St. S & 11 th Ave. S. St. Petersburg, Florida	
Client: City of St. Petersburg	Project Number: 1001-6308	Project Manager: Nick Eilerman	Greenfield Environmental, Inc. 432 3 rd Street North St. Petersburg, Florida 33701
	Scale- NTS	County: Pinellas	



November 7, 2013

City of St. Petersburg
Mr. Mike Psarakis
Senior Real Estate Coordinator
P.O. Box 2842
St. Petersburg, FL 33731

**RE: PHASE II ENVIRONMENTAL SITE ASSESSMENT - Vacant Land - "Parcel B" - SW
Corner of 4th St. South and 11th Ave. South - Parcel ID #'s 30/31/17/77418/000/0010 &
30/31/17/77400/000/0010 - St. Petersburg - Pinellas County - Florida**

Dear Mr. Psarakis:

On October 10, 2013 Greenfield Environmental, Inc. (GE) conducted limited soil and groundwater sampling at the above referenced property. The assessment was conducted to determine if contaminated soils or groundwater exist at the site due to the historical presence of a dry cleaner and service station on two (2) adjacent properties. The soil boring and groundwater sample locations were chosen based upon the highest likelihood of encountering contamination at the subject site. Brooker Creek, located at the southern and western portions of the property, was not assessed for potential contamination. A Sampling Location Map depicting soil boring and temporary monitoring well locations is included as **Appendix A**.

Chapter 62-780, Florida Administrative Code defines "contaminated" as the presence of free product or any contaminant in surface water, groundwater, soil, sediment, or upon the land, in concentrations that exceed the applicable Groundwater Cleanup Target Levels (GCTLs) specified in Chapter 62-777, FAC, or water quality standards in Chapter 62-302 or 62-520. In addition, Chapter 62-770, Florida Administrative Code defines "contaminated soil" as soil that is contaminated with petroleum or petroleum products or their chemical constituents to the extent that Chapter 62-777, Florida Administrative Code, Soil Cleanup Target Levels (SCTLs) are exceeded.

The scope of work for this assessment consisted of installing forty-three (43) soil borings for organic vapor analysis (OVA) soil screening and the collection of one (1) soil sample and three (3) groundwater samples. Soil sample SB-6B@1' was analyzed for Petroleum Range Organics (PRO) via EPA Method FL-PRO, Polyaromatic Hydrocarbons (PAHs) via EPA Method 8270 and Volatile Organic Compounds (VOCs) via EPA Methods 8260. Temporary monitoring well TMW-1 was analyzed for Volatile Organic Hydrocarbons (VOHs) via EPA Method 8260. Temporary monitoring wells TMW-2 and TMW-3 were analyzed for PRO via EPA Method FL-PRO, Lead via EPA Method 6010, PAHs via EPA Method 8270 and VOCs via EPA Methods 8260. Upon sample collection, the soil and groundwater samples were capped, labeled, packed on ice, and transported to the SunLabs, Inc. laboratory in Tampa, Florida for analysis. The sample kits were provided to Greenfield Environmental, Inc. by SunLabs, Inc.

432 3rd Street North, St. Petersburg, FL 33701 • Phone: 727.896.1266 • Fax: 727.896.1566

SOIL SAMPLING

"Excessively contaminated soils" are defined in Chapter 62-770, Florida Administrative Code, as soils that are saturated with petroleum or petroleum product, or those that cause a total corrected hydrocarbon reading of 500 parts per million (ppm) or higher for the Gasoline Analytical Group or 50 ppm or higher for the Kerosene Analytical Group on an Organic Vapor Analyzer (OVA) instrument equipped with a Photo Ionization Detector (PID) upon sampling the head space in a half-filled 16-ounce soil jar. Upon retrieval, soil samples were also examined for physical and olfactory signs of degradation by petroleum products. In addition, Chapter 62-770, Florida Administrative Code defines "contaminated soil" as soil that is contaminated with petroleum or petroleum products or their chemical constituents to the extent that Chapter 62-777, Florida Administrative Code, SCTLs are exceeded.

Soil samples were obtained by advancing a 3-inch, stainless-steel, hand auger into the soil and then withdrawing the auger to enable classification and sampling of the soil. Soil samples were collected at intervals of one (1) foot, down to an approximate depth of four (4) feet BLS. The water table was encountered at ten (10) feet BLS at the subject site at the time of this subsurface investigation.

Elevated organic vapor analyzer (OVA) readings above 50 ppm were not detected during the subsurface investigation. Petroleum-type odors were not detected in the soil samples collected at soil boring locations. Olfactory evidence of contamination was not observed during the assessment. GE observed that organic materials were present in select soil samples where OVA responses were elevated. The potential exists that these organic materials impacted the OVA results.

Soil Samples SB-6B@1' was collected at a depth of (1) foot BLS from soil boring location SB-6B. The location of the soil sample SB-6B@1' was selected based upon the highest OVA reading detected during the site assessment at the subject site. The locations of soil boring sample points are represented in **Appendix A** and the Soil Sampling Logs are provided in **Appendix B**.

The analytical results from the soil sample SB-6B@1' indicated that none of the analytes tested exceeded the State of Florida Department of Environmental Protection (FDEP) regulatory standards. No Chapter 62-777, Florida Administrative Code, SCTLs were exceeded in the soil samples collected at the vacant property. Soil analytical results and the Chain of Custody for all samples collected are included in **Appendix C**.

GROUNDWATER SAMPLING

Groundwater sampling conducted by Greenfield Environmental, Inc. was performed by the Point-In-Time Groundwater Sampling method via direct push technology. Groundwater purging was accomplished utilizing a portable low flow Peristaltic Pump and a dedicated section of Teflon-lined tubing through the pump head and polyethylene tubing set to the top two (2) feet of the water column.

Three (3) Geoprobe water sample points (TMW-1, TMW-2 and TMW-3) were installed on October 10, 2013 at soil boring locations SB-1, SB-4D and SB-6B, respectively. The location of temporary monitoring point TMW-1 was determined based on the location of the former dry cleaning facility to the east of the property. The location of the temporary monitoring points TMW-2 and TMW-3 were determined based on the two (2) highest OVA soil screening results within the vadose zone during the site assessment activities. The locations are represented in **Appendix A**. The

temporary monitoring well (TMW-1) was installed to an approximate depth of 22 feet BLS (screened from 18 to 22 feet BLS). The temporary monitoring wells TMW-2 and TMW-3 were installed to an approximate depth of 10 feet BLS (screened from 6 to 10 feet BLS). The sample points were developed using 0.25 inch Teflon tubing and a peristaltic pump. Groundwater was pumped from the tubing until free of sediment.

The analytical results from the groundwater sampling event indicated that all constituents analyzed were either below the method detection limits (MDLs) or within their respective GCTLs. Groundwater analytical results and the Chain of Custody for all samples collected are included in Appendix C.


CONCLUSIONS & RECOMMENDATIONS

The representative groundwater samples from temporary monitoring well TMW-1, TMW-2 and TMW-3 did not have FAC Chapter 62-777 Table I GCTL exceedances. In addition, the representative soil sample from soil boring SB-6B found that no exceedances of FAC Chapter 62-777 Table II SCTLs were discovered at the site. Based on the site assessment activities and the laboratory analytical results, GE recommends no further assessment work at this time.

If you should have any questions please do not hesitate to contact us at (727) 896-1266.

Sincerely,
GREENFIELD ENVIRONMENTAL, INC.

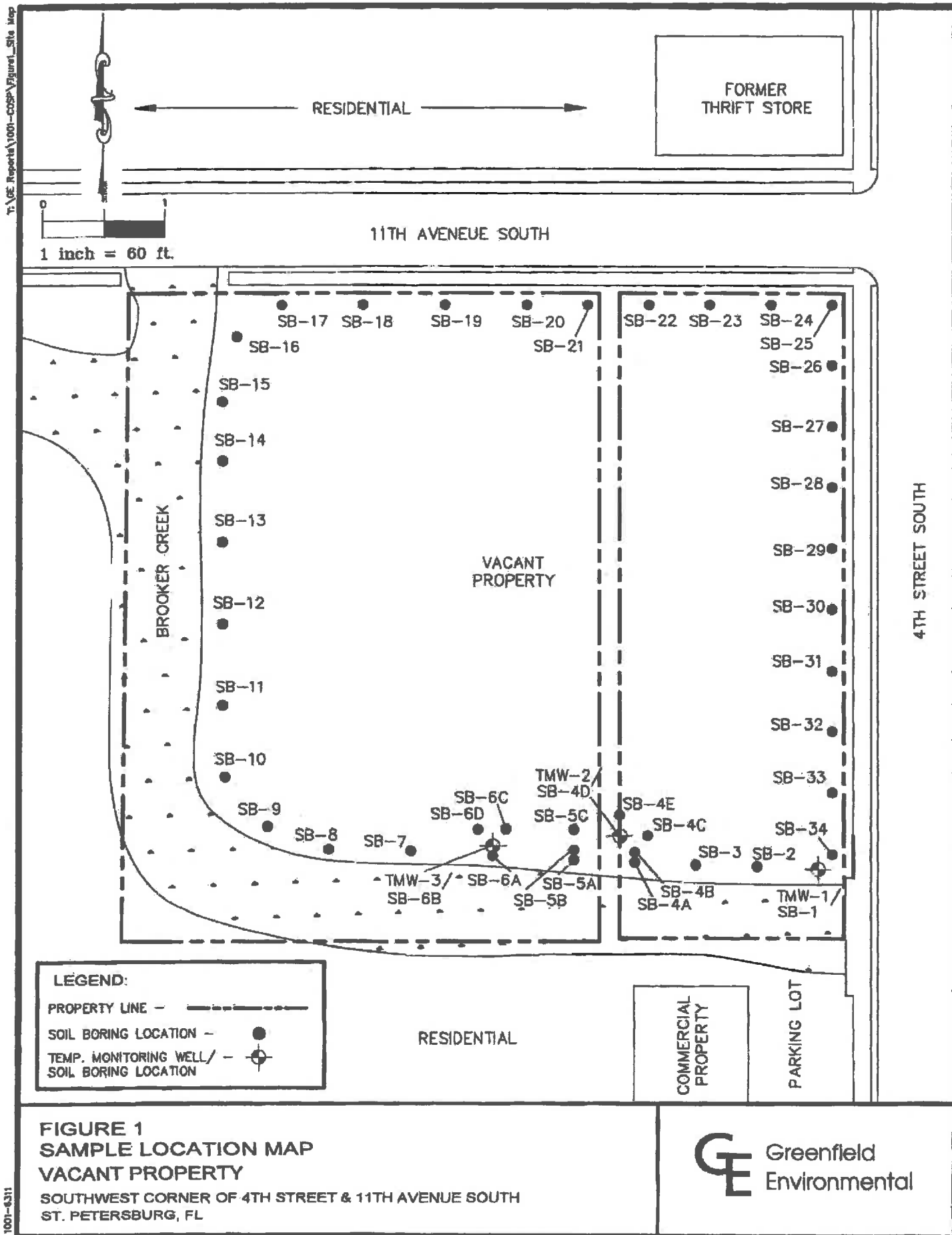


Nicholas Barron
Project Manager

James E. Greenfield
Principal

1001-6311_PII
End.

APPENDIX A
SAMPLING LOCATION MAP



APPENDIX B

SOIL BORING FIELD LOGS

GREENFIELD ENVIRONMENTAL, INC.

SOIL BORING FIELD LOG

Project Name: City of St. Petersburg Site Name: Vacant Property

Project No.: 1001-6311 Site Address: SW Corner 4th St & 11th Ave S., St. Pete, FL

Date: 10/10/2013 Weather/Site Conditions: Clear/Sunny

Boring No.	Time of Sample Collection	Depth (Feet BLS)	Soil Description	Vapor Odor (Y/N)	GWT (Y/N)	Time of OVA	Readings Petroleum Related Vapors (PPM)
SB-1	8:45 am	1	Gray Fine Grain Sand	N	N	9:00 am	<1
	"	2	"	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-2	8:55 am	1	Gray Fine Grain Sand	N	N	9:10 am	<1
	"	2	Black & Gray Fine Grain Sand	N	N	"	<1
	"	3	"	N	N	"	3
	"	4	"	N	Y	"	53
SB-3	9:05 am	1	Brown Fine Grain Sand	N	N	9:20 am	<1
	"	2	Gray Fine Grain Sand	N	N	"	<1
	"	3	Brown Fine Grain Sand	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-4A	9:15 am	1	Gray & Brown Fine Grain Sand	N	N	9:30 am	2
	"	2	Gray Fine Grain Sand	N	N	"	33
	"	3	Brown Fine Grain Sand	N	N	"	<1
	"	4	"	N	Y	"	7

Comments:

Name of Sampler: Nicholas Barron Date: 10/10/13

Sampler Signature: 

GREENFIELD ENVIRONMENTAL, INC.


SOIL BORING FIELD LOG

Project Name: City of St. Petersburg Site Name: Vacant Property
 Project No.: 1001-6311 Site Address: SW Corner 4th St & 11th Ave S., St. Pete, FL
 Date: 10/10/2013 Weather/Site Conditions: Clear/Sunny

Boring No.	Time of Sample Collection	Depth (Feet BLS)	Soil Description	Vapor Odor (Y/N)	GWT (Y/N)	Time of OVA	Readings Petroleum Related Vapors (PPM)
SB-5A	9:25 am	1	Black & Brown Fine Grain Sand	N	N	9:40 am	4
	"	2	"	N	N	"	14
	"	3	"	N	N	"	6
	"	4	"	N	Y	"	12
SB-6A	9:35 am	1	Gray Fine Grain Sand	N	N	9:50 am	27
	"	2	Black & Brown Fine Grain Sand	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	39
SB-7	9:45 am	1	Light Brown Fine Grain Sand	N	N	10:00 am	<1
	"	2	Brown Fine Grain Sand	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	1
SB-8	9:55 am	1	Light Brown Fine Grain Sand	N	N	10:10 am	<1
	"	2	Brown Fine Grain Sand	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1

Comments:

Name of Sampler: Nicholas Barron

Sampler Signature: 

Date: 10/10/13

GREENFIELD ENVIRONMENTAL, INC.

SOIL BORING FIELD LOG

Project Name: City of St. Petersburg Site Name: Vacant Property

Project No.: 1001-6311 Site Address: SW Corner 4th St & 11th Ave S., St. Pete, FL

Date: 10/10/2013 Weather/Site Conditions: Clear/Sunny

Boring No.	Time of Sample Collection	Depth (Feet/BLS)	Soil Description	Vapor Odor (Y/N)	GWT (Y/N)	Time of OVA	Readings Petroleum Related Vapors (PPM)
SB-9	10:05 am	1	Brown Fine Grain Sand	N	N	10:20 am	<1
	"	2	Gray Fine Grain Sand	N	N	"	<1
	"	3	Brown Fine Grain Sand	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-10	10:15 am	1	Dark Brown Fine Grain Sand	N	N	10:30 am	<1
	"	2	Brown Fine Grain Sand	N	N	"	<1
	"	3	Dark Brown Fine Grain Sand	N	N	"	<1
	"	4	"	N	Y	"	8
SB-11	10:25 am	1	Brown Fine Grain Sand	N	N	10:40 am	2
	"	2	Dark Brown Fine Grain Sand	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-12	10:35 am	1	Dark Brown Fine Grain Sand	N	N	10:50 am	<1
	"	2	Gray Fine Grain Sand	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	1

Comments:

Name of Sampler: Nicholas Barron

Sampler Signature: 

Date: 10/10/13

GREENFIELD ENVIRONMENTAL, INC.


SOIL BORING FIELD LOG

Project Name: City of St. Petersburg Site Name: Vacant Property
 Project No.: 1001-6311 Site Address: SW Corner 4th St & 11th Ave S., St. Pete, FL
 Date: 10/10/2013 Weather/Site Conditions: Clear/Sunny

Boring No.	Time of Sample Collection	Depth (Feet BLS)	Soil Description	Vapor Odor (Y/N)	GWT (Y/N)	Time of OVA	Readings Petroleum Related Vapors (PPM)
SB-13	10:45 am	1	Brown Fine Grain Sand	N	N	11:00 am	<1
	"	2	Dark Brown Fine Grain Sand	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-14	10:55 am	1	Brown Fine Grain Sand	N	N	11:10 am	<1
	"	2	Gray Fine Grain Sand	N	N	"	<1
	"	3	Dark Brown Fine Grain Sand	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-15	11:05 am	1	Gray Fine Grain Sand	N	N	11:20 am	<1
	"	2	"	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-16	11:15 am	1	Gray Fine Grain Sand	N	N	11:30 am	<1
	"	2	"	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	Dark Brown Fine Grain Sand	N	Y	"	1

Comments:

Name of Sampler: Nicholas Barron

Sampler Signature: 

Date: 10/10/13

GREENFIELD ENVIRONMENTAL, INC.

SOIL BORING FIELD LOG

Project Name: City of St. Petersburg Site Name: Vacant Property

Project No.: 1001-6311 Site Address: SW Corner 4th St & 11th Ave S., St. Pete, FL

Date: 10/10/2013 Weather/Site Conditions: Clear/Sunny

Boring No.	Time of Sample Collection	Depth (Feet/BLS)	Soil Description	Vapor Odor (Y/N)	GW (Y/N)	Time of OVA	Readings Petroleum Related Vapors (PPM)
SB-17	11:25 am	1	Gray Fine Grain Sand	N	N	11:40 am	<1
	"	2	"	N	N	"	<1
	"	3	Black & Brown Fine Grain Sand	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-18	11:35 am	1	Gray Fine Grain Sand	N	N	11:50 am	<1
	"	2	"	N	N	"	<1
	"	3	Dark Brown Fine Grain Sand	N	N	"	<1
	"	4	Gray Fine Grain Sand	N	Y	"	<1
SB-19	11:45 am	1	Dark Brown Fine Grain Sand	N	N	12:00 pm	<1
	"	2	"	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-20	11:55 am	1	Orange & Light Gray Fine Grain Sand	N	N	12:10 pm	<1
	"	2	Orangish Brown Fine Grain Sand	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1

Comments:

Name of Sampler: Nicholas Barron

Sampler Signature:

Date: 10/10/13

GREENFIELD ENVIRONMENTAL, INC.

SOIL BORING FIELD LOG

Project Name: City of St. Petersburg Site Name: Vacant Property

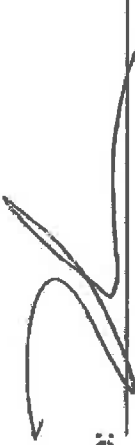
Project No.: 1001-6311 Site Address: SW Corner 4th St & 11th Ave S., St. Pete, FL

Date: 10/10/2013 Weather/Site Conditions: Clear/Sunny

Boring No.	Time of Sample Collection	Depth (Feet BLS)	Soil Description	Vapor Odor (Y/N)	GWT (Y/N)	Time of OVA	Readings Petroleum Related Vapors (PPM)
SB-21	12:05 pm	1	Orangish Brown Fine Grain Sand	N	N	12:20 pm	<1
	"	2	"	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-22	12:15 pm	1	Orangish Brown Fine Grain Sand	N	N	12:30 pm	<1
	"	2	"	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-23	12:25 pm	1	Brown Fine Grain Sand	N	N	12:40 pm	<1
	"	2	Orangish Brown Fine Grain Sand	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-24	12:35 pm	1	Light Gray Fine Grain Sand	N	N	12:50 pm	<1
	"	2	"	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1

Comments:

Name of Sampler: Nicholas Barron

Sampler Signature: 

Date: 10/10/13

GREENFIELD ENVIRONMENTAL, INC.

SOIL BORING FIELD LOG

Project Name: City of St. Petersburg Site Name: Vacant Property

Project No.: 1001-6311 Site Address: SW Corner 4th St & 11th Ave S., St. Pete, FL

Date: 10/10/2013 Weather/Site Conditions: Clear/Sunny

Boring No.	Time of Sample Collection	Depth (Feet BLS)	Soil Description	Vapor Odor (Y/N)	GWT (Y/N)	Time of OVA	Readings. Petroleum Related Vapors (ppm)
SB-25	12:45 pm	1	Gray Fine Grain Sand	N	N	1:00 pm	<1
	"	2	Light Gray Fine Grain Sand	N	N	"	<1
	"	3	Dark Brown Fine Grain Sand	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-26	12:55 pm	1	Gray Fine Grain Sand	N	N	1:10 pm	<1
	"	2	Light Gray Fine Grain Sand	N	N	"	<1
	"	3	Dark Brown Fine Grain Sand	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-27	1:05 pm	1	Light Gray Fine Grain Sand	N	N	1:20 pm	<1
	"	2	"	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-28	1:15 pm	1	Dark Brown Fine Grain Sand	N	Y	"	<1
	"	2	Gray Fine Grain Sand	N	N	1:30 pm	<1
	"	3	Light Gray Fine Grain Sand	N	N	"	<1
	"	4	Dark Brown Fine Grain Sand	N	N	"	<1

Comments:

Name of Sampler: Nicholas Barron

Sampler Signature: 

Date: 10/10/13


GREENFIELD ENVIRONMENTAL, INC.

SOIL BORING FIELD LOG

Project Name: City of St. Petersburg Site Name: Vacant Property
 Project No.: 1001-6311 Site Address: SW Corner 4th St & 11th Ave S., St. Pete, FL
 Date: 10/10/2013 Weather/Site Conditions: Clear/Sunny

Boring No.	Time of Sample Collection	Depth (Feet BLS)	Soil Description	Vapor Odor (Y/N)	GWT (Y/N)	Time of OVA	Readings Petroleum Related Vapors (PPM)
SB-29	1:25 pm	1	Gray Fine Grain Sand	N	N	1:40 pm	<1
	"	2	Light Gray Fine Grain Sand	N	N	"	<1
	"	3	Dark Brown Fine Grain Sand	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-30	1:35 pm	1	Brown Fine Grain Sand	N	N	1:50 pm	<1
	"	2	Gray Fine Grain Sand*	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-31	1:45 pm	1	Brown Fine Grain Sand	N	N	2:00 pm	<1
	"	2	Orange and Brown Fine Grain Sand	N	N	"	<1
	"	3	Dark Brown Fine Grain Sand	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-32	1:55 pm	1	Brown Fine Grain Sand	N	N	2:10 pm	<1
	"	2	"	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1

Comments:

Name of Sampler: Nicholas Barron Sampler Signature:  Date: 10/10/13

GREENFIELD ENVIRONMENTAL, INC.

SOIL BORING FIELD LOG

Project Name: City of St. Petersburg Site Name: Vacant Property


Project No.: 1001-6311 Site Address: SW Corner 4th St & 11th Ave S., St. Pete, FL

Date: 10/10/2013 Weather/Site Conditions: Clear/Sunny

Boring No.	Time of Sample Collection	Depth (Feet BLS)	Soil Description	Vapor Odor (Y/N)	GWT (Y/N)	Time of OVA	Readings Petroleum Related Vapors (PPM)
SB-33	2:05 pm	1	Light Brown Fine Grain Sand	N	N	2:20 pm	<1
	"	2	"	N	N	"	<1
	"	3	Brown Fine Grain Sand	N	N	"	<1
	"	4	Light Brown Fine Grain Sand	N	Y	"	<1
SB-34	2:15 pm	1	Brown Fine Grain Sand	N	N	2:30 pm	<1
	"	2	"	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-48	2:25 pm	1	Gray & Brown Fine Grain Sand	N	N	2:40 pm	24
	"	2	Gray Fine Grain Sand	N	N	"	<1
	"	3	Brown Fine Grain Sand	N	N	"	<1
	"	4	"	N	Y	"	40
SB-58	2:35 pm	1	Black & Brown Fine Grain Sand	N	N	2:50 pm	2
	"	2	"	N	N	"	10
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1

Comments:

Name of Sampler: Nicholas Barron

Sampler Signature: 

Date: 10/10/13


GREENFIELD ENVIRONMENTAL, INC.

SOIL BORING FIELD LOG

Project Name: City of St. Petersburg Site Name: Vacant Property
 Project No.: 1001-6311 Site Address: SW Corner 4th St & 11th Ave S., St. Pete, FL
 Date: 10/10/2013 Weather/Site Conditions: Clear/Sunny

Boring No.	Time of Sample Collection	Depth (Feet BLS)	Soil Description	Vapor Odor (Y/N)	GWT (Y/N)	Time of OVA	Readings Petroleum Related Vapors (PPM)
SB-6B	2:45 pm	1	Gray Fine Grain Sand	N	N	3:00 pm	57
	"	2	Black & Brown Fine Grain Sand	N	N	"	<1
	"	3	"	N	N	"	12
	"	4	"	N	Y	"	23
SB-4C	2:55 pm	1	Gray & Brown Fine Grain Sand	N	N	3:10 pm	7
	"	2	Gray Fine Grain Sand	N	N	"	1
	"	3	Brown Fine Grain Sand	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-4D	3:05 pm	1	Brown Fine Grain Sand	N	N	3:20 pm	42
	"	2	Gray Fine Grain Sand	N	N	"	<1
	"	3	Brown Fine Grain Sand	N	N	"	<1
	"	4	"	N	Y	"	<1
SB-5C	3:15 pm	1	Black & Brown Fine Grain Sand	N	N	3:30 pm	<1
	"	2	"	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	"	N	Y	"	<1

Comments:

Name of Sampler: Nicholas Barron Date: 10/10/13
 Sampler Signature: 

GREENFIELD ENVIRONMENTAL, INC.

SOIL BORING FIELD LOG

Project Name: City of St. Petersburg Site Name: Vacant Property

Project No.: 1001-6311 Site Address: SW Corner 4th St & 11th Ave S., St. Pete, FL

Date: 10/10/2013 Weather/Site Conditions: Clear/Sunny

Boring No.	Time of Sample Collection	Depth (Feet BLS)	Soil Description	Vapor Odor (Y/N)	GWT (Y/N)	Time of OVA	Readings Petroleum Related Vapors (PPM)
SB-6C	3:25 pm	1	Gray Fine Grain Sand	N	N	3:40 pm	<1
	"	2	Black & Brown Fine Grain Sand	N	N	"	<1
	"	3	"	N	N	"	6
	"	4	"	N	Y	"	20
SB-6D	3:35 pm	1	Brown Fine Grain Sand	N	N	3:50 pm	9
	"	2	"	N	N	"	<1
	"	3	"	N	N	"	<1
	"	4	Dark Brown Fine Grain Sand	N	Y	"	17
SB-4E	3:40 pm	1	Brown Fine Grain Sand	N	N	4:00 pm	8
	"	2	Gray Fine Grain Sand	N	N	"	2
	"	3	Brown Fine Grain Sand	N	N	"	2
	"	4	"	N	Y	"	16

Comments:

Name of Sampler: Nicholas Barron

Sampler Signature: 

Date: 10/10/13

Appendix E: Copies of public notices, public hearing minutes, etc.

TBIC Incubator – Public Notices, Articles, Meetings
Pinellas County EDA Grant Control No. 112470
(minutes, approval, notices, articles attached)

Land Use and Rezoning for Incubator Use:

Community Planning & Preservation Commission PUBLIC HEARING held October 14, 2014

City Council – First reading of the Ordinances held November 6, 2014

City Council – Second reading of the Ordinances and PUBLIC HEARING held November 24, 2014

Pinellas Planning Council PUBLIC HEARING held December 10, 2014

Board of County Commissioners (BCC) PUBLIC HEARING held January 13, 2015

Published Agendas items open to the Public:

BCC approval of submission of EDA application held on April 25, 2017

BCC approval of submission of EDA Disaster application held on July 17, 2018

List of Articles:

Tampa Bay Times “Large-scale business incubator will rise in downtown St. Petersburg as beacon for startups” – Published November 28, 2016

Tampa Bay Business Journal “Pinellas, St. Pete launch partnership to create giant business incubator” – Published November 29, 2016

CITY OF ST. PETERSBURG
NOTICE OF PUBLIC HEARING TO WHOM IT MAY CONCERN

RE: CITY-INITIATED APPLICATION FOR AN AMENDMENT TO THE
FUTURE LAND USE MAP AND OFFICIAL ZONING MAP DESIGNATIONS

General Description of Subject Property: The subject City-owned property, estimated to be 0.80 acres or 35,000 sq. ft. in size, is generally located on the southwest corner of 11th Avenue South and 4th Street South, approximately 120-feet west of the intersection. (A location map is provided on the reverse side.)

Request: This is a City-initiated application requesting that the Future Land Use Map designation be amended from Residential Medium to Planned Redevelopment-Mixed Use and that the Official Zoning Map designation be amended from NSM-1 (Neighborhood Suburban Multifamily) to CCT-1 (Corridor Commercial Traditional), or other less intensive use.

Purpose: The subject property will be redeveloped in combination with the property immediately abutting to the east. The proposed designations will permit the Tampa Bay Innovation Center (TBIC) to construct a not-less-than 40,000 sq. ft. office building on the southwest corner of the intersection that will provide jobs and help support the City and County by providing space for research, innovation and entrepreneurs including but not limited to technology, health sciences and marine research uses.

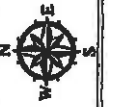
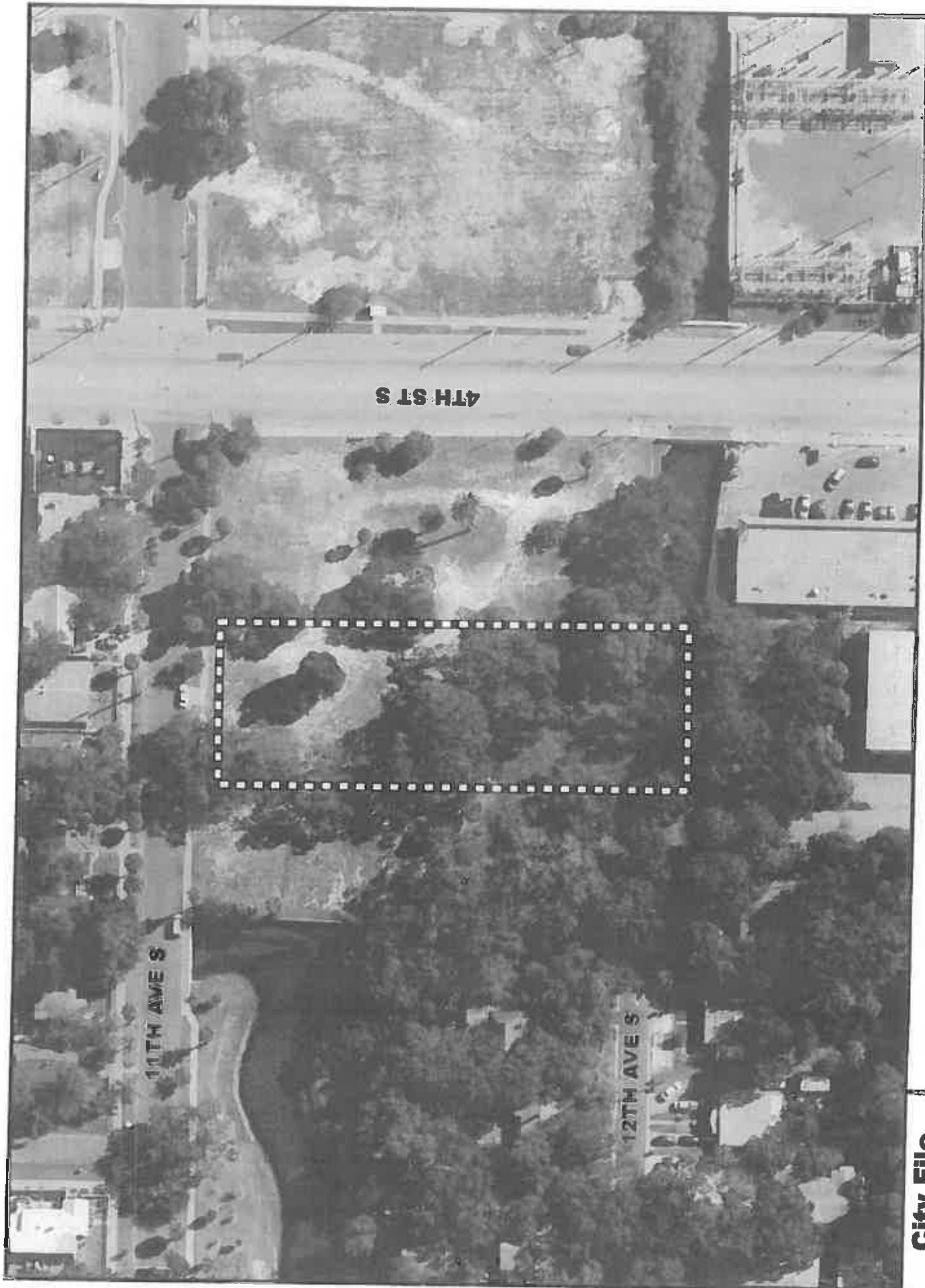
A public hearing before the City's Community Planning and Preservation Commission (CPPC) to consider the above-described amendments will be held at 3:00 p.m., or as soon thereafter as may be heard, on Tuesday, October 14, 2014 in the City Council Chambers, City Hall, 175 Fifth Street North, St. Petersburg, Florida. *Any member of the public may appear at this meeting to present testimony, or speak, regarding this matter. It should be noted that this public hearing is part of a quasi-judicial proceeding and is subject to special rules and procedures relating to evidence and appeals which include prohibiting discussions with Commission members.*

Ownership records indicate that you are an owner of property located within 200 feet of the land in question. If you wish to review this application, or if you have questions/comments or wish to register as an opponent, please visit, write or call this office: Planning and Economic Development Department, Municipal Services Center, Eighth Floor, One 4th Street North, St. Petersburg, Florida, 33701. Telephone 727-551-3386. Please refer to City File: FLUM 22-A.

The City, in compliance with the Americans with Disabilities Act of 1990 (ADA), provides reasonable accommodations for all official City proceedings. If you wish to request an accommodation under the ADA, you should contact the City Clerk not less than 72 hours prior to the meeting by calling 727-893-7448 or TDD 727-892-5259. The City cannot guarantee the availability of persons capable of assisting individuals with a hearing impairment or who are unfamiliar with the English language but will attempt to provide such assistance if requested.

Further, in accordance with Section 286.0105, Florida Statutes, if a person decides to appeal any decision made by a governmental board, commission or agency, they will need a record of the proceeding. It is up to the potentially adversely affected citizen to ensure that a verbatim record of the proceeding is made, including testimony and evidence upon which the appeal is to be based. Any person who may need such a record can arrange for a court reporter to attend the public hearing. Appeal information is set forth in Section 16.70.010.6 of the St. Petersburg City Code, which can be accessed online, along with all of City Code Chapter 16, at www.stpete.org.

Robert "Bob" Carter, Chair, Community Planning and Preservation Commission



SUBJECT AREA



**City File
FLUM 22-A**

ST. PETERSBURG CITY COUNCIL

Meeting of November 6, 2014

TO: The Honorable Bill Dudley, Chair, and Members of City Council

SUBJECT: **City File: FLUM 21-A:** City-initiated application proposing amendments to the Future Land Use Map and Official Zoning Map designations for the Harris School property, located at 4600 Haines Road, between 19th Street North and 21st Street North.

A detailed analysis of the request is provided in Staff Report FLUM 21-A, attached.

REQUEST: (A) ORDINANCE ____-L amending the Future Land Use Map designation from Institutional to Residential Medium.

(B) ORDINANCE ____-Z amending the Official Zoning Map designation from NT-1 (Neighborhood Traditional) to NSM-1 (Neighborhood Suburban Multifamily), or other less intensive use.

RECOMMENDATION:

Administration: The Administration recommends APPROVAL.

Public Input: Only two phone calls have been received, to date, one supporting the application and one requesting additional information.

Community Planning & Preservation Commission (CPPC): On October 14, 2014 the CPPC held a public hearing regarding these amendments, and voted unanimously (7 to 0) to recommend APPROVAL. In a separate vote, the Commission also voted unanimously to recommend to City Council that they evaluate the property for a potential landmark designation during their review and approval process of the land use and zoning amendments.

Recommended City Council Action: 1) CONDUCT the first reading of the attached proposed ordinances; AND 2) SET the second reading and adoption public hearing for November 24, 2014.

Attachments: Ordinances (2), Staff Report

ORDINANCE NO. ____-L

AN ORDINANCE AMENDING THE FUTURE LAND USE ELEMENT OF THE COMPREHENSIVE PLAN FOR THE CITY OF ST. PETERSBURG, FLORIDA; CHANGING THE LAND USE DESIGNATION OF PROPERTY GENERALLY LOCATED AT 4600 HAINES ROAD, BETWEEN 19TH STREET NORTH AND 21ST STREET NORTH, FROM INSTITUTIONAL TO RESIDENTIAL MEDIUM; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES AND PROVISIONS THEREOF; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 163, Florida Statutes, established the Local Government Comprehensive Planning and Land Development Regulation Act; and

WHEREAS, the City of St. Petersburg Comprehensive Plan and Future Land Use Map are required by law to be consistent with the Countywide Comprehensive Plan and Future Land Use Map and the Pinellas Planning Council is authorized to develop rules to implement the Countywide Future Land Use Map; and

WHEREAS, the St. Petersburg City Council has considered and approved the proposed St. Petersburg land use amendment provided herein as being consistent with the proposed amendment to the Countywide Future Land Use Map which has been initiated by the City; now, therefore

THE CITY OF ST. PETERSBURG DOES ORDAIN:

SECTION 1. Pursuant to the provisions of the Local Government Comprehensive Planning and Land Development Act, as amended, and pursuant to all applicable provisions of law, the Future Land Use Map of the City of St. Petersburg Comprehensive Plan is amended by placing the hereinafter described property in the land use category as follows:

Property

HARRIS SCHOOL ADDITION BLOCK A, LOTS 1 TO 9 & VACANT 16-FOOT ALLEY & UNPLATTED TRACT ADJACENT ON EAST, DESCRIBED BEGINNING SOUTHEAST CORNER OF SAID LOT 1 BLOCK A, THENCE NORTH 185.4 FEET, THENCE SOUTHEASTERLY 322 FEET SCALED ALONG SOUTHERNLY RIGHT OF WAY OF HAINES ROAD, THENCE 6 FEET SCALED, THENCE WEST 272 FEET SCALED TO POINT OF BEGINNING.

Land Use Category

From: Institutional

To: Residential Medium

SECTION 3. In the event this ordinance is not vetoed by the Mayor in accordance with the City Charter, it shall become effective upon approval of the required Land Use Plan change by the Pinellas County Board of County Commissioners (acting in their capacity as the Countywide Planning Authority) and upon issuance of a final order determining this amendment to be in compliance by the Department of Economic Opportunity (DOE) or until the Administration Commission issues a final order determining this amendment to be in compliance, pursuant to Section 163.3187, F.S. In the event this ordinance is vetoed by the Mayor in accordance with the City Charter, it shall not become effective unless and until the City Council overrides the veto in accordance with the City Charter, in which case it shall become effective as set forth above.

FLUM 21-A
(Land Use)

10-13-14

DATE _____

10/15/14

DATE _____



**CITY OF ST. PETERSBURG
COMMUNITY PLANNING & PRESERVATION COMMISSION
PUBLIC HEARING**

**Council Chambers
City Hall**

**October 14, 2014
Tuesday, 3:00 p.m.**

MINUTES

Present:

Robert "Bob" Carter, Chair
Jeffery "Jeff" M. Wolf, Vice Chair
Will Michaels
Gwendolyn "Gwen" Reese
Lisa Wannemacher
Arnett Smith, Jr., Alternate
Thomas "Tom" Whiteman, Alternate

Commissioners Absent:

Christopher "Chris" A. Burke¹
Ed Montanari¹
Jeff Rogo, Alternate¹

¹ *excused*

Staff Present:

Dave Goodwin, Director, Planning & Economic Development
Derek Kilborn, Manager, Urban Planning, Design & Historic Preservation
Rick MacAulay, Planner, Urban Planning, Design & Historic Preservation
Susan Ajoc, Director, Community Services
Cheryl Stacks, Manager, Transportation & Parking Management
Michael Dema, Assistant City Attorney, Legal
Vicky Davidson, Administrative Assistant, Planning & Economic Development

The public hearing was called to order at 3:02 p.m., a quorum was present.

I. OPENING REMARKS OF CHAIR AND SWEARING IN OF WITNESSES

II. ROLL CALL

III. MINUTES

The minutes from September 9, 2014 meeting were approved as written by a consensus vote.

IV. QUASI-JUDICIAL PUBLIC HEARINGS

A. FLUM-21-A

Contact Person: Rick MacAulay, 551-3386

Location: The subject property is the Pinellas County School District, Harris School site, estimated to be 2.1 acres in size and generally located at 4600 Haines Road, between 19th Street North and 21st Street North.

Request: This is a City-initiated application requesting that the Future Land Use Map designation be amended from Institutional to Residential Medium and that the Official Zoning Map designation be amended from NT-1 (Neighborhood Traditional) to NSM-1 (Neighborhood Suburban Multifamily), or other less intensive use.

Staff Presentation

Rick MacAulay gave a presentation based on the staff report.

Commissioner Michaels asked if the proposed use is for educational purposes as stipulated by Mr. Harris, the original property owner. Mr. MacAulay stated that he will defer to the Pinellas County School District staff members to answer. However, a portion of the "Starting Right, Now" program is educational for the teens that will be residing there.

Commissioner Michaels asked if the proposed use can be accommodated under the current land use and zoning designation. Mr. MacAulay stated that the current Institutional Land Use Designation reflects ownership and use of the property by the School Board; Institutional would not be an appropriate plan designation for the new user, Residential Medium is the more appropriate designation and the current NT-1 (Neighborhood Traditional zoning) would not accommodate their desired use. A zoning district which allows multifamily uses would allow the proposed use.

Commissioner Michaels asked if the proposed land use and zoning, if approved, would remain in place if development permits are denied. Mr. MacAulay replied, yes, until the City or Pinellas County Schools decides to change it back again. However, the proposed land use and zoning designations would allow a school facility (public or private), a church or other institutional-type uses to continue to operate eliminating the need to automatically change the land use and zoning designations back.

Commission Chair Carter asked when the last land use and zoning change had taken place. Mr. MacAulay stated that the City-wide rezoning took place in 2007 when the new Land Development Regulations took effect. The land use of the subject property did not change from Institutional reflecting the School Board use and ownership; however, the zoning changed to NT-1 for uniformity with the zoning of the surrounding property.

Public Hearing

Lori Matway, Associate Superintendent with the Pinellas County Schools and representing the School Board and Superintendent, spoke in support of the request. Ms. Matway stated that the Pinellas County School District has approximately 3,000 homeless students and the program "Starting Right, Now" that began in Hillsborough County will be replicated in Pinellas County. Ms. Matway stressed, in response to Commissioner

Michaels' question that the use is educational, ensuring that a mentor will be assigned to each student to work on educational as well as social behavioral issues on campus.

Peter Belmont representing St. Petersburg Preservation cited Comprehensive Plan Policy HP2.8; "The City will request the Pinellas County School Board designate eligible school buildings to the St. Petersburg Register of Historic Places under the local ordinance and the National Register of Historic Places. The City shall assist the School Board in identifying the buildings appearing to qualify as historic landmarks." Mr. Belmont then asked that the Commission consider recommending that City Council initiate the land marking of this school building.

Vicki Sokolik, Founder and Executive Director of Starting Right, Now, spoke in support of the rezoning and FLUM amendment. Ms. Sokolik gave an overview of the program; when, where and how the program began as well as the goals of the program.

Teresa Livingston, 710 – 115th Ave, Treasure Island and rental property owner near the Harris School, spoke against the request; concerned about falling property values and safety issues for both the students and her renters.

Susan Guttentag, Vice President of Starting Right, Now, spoke in support of the request. Ms. Guttentag explained that several interviews are conducted with the students to determine which ones will be accepted into the program. Ms. Guttentag also stated that the property values around their building in Tampa on Bayshore Blvd. have not decreased.

Commissioner Michaels asked about any safety concerns where the public may have been affected by the program's operations. Ms. Guttentag stated that the Police Commissioner praised their program stating it is one of the best programs he has been involved with in Hillsborough County with no safety or security issues whatsoever.

Robin Reed, 705 – 16th Ave NE, stated her appreciation of the program and the re-use of this building, and her agreement with Mr. Belmont in recommending that this building be recognized as a possible historic landmark.

Executive Session

Commissioner Wannemacher voiced her support of the request; creating an opportunity for adaptive reuse.

Commissioner Michaels voiced his concern about the possible historic importance of the property and then asked staff if the subject property had been evaluated for possible landmarking. Mr. MacAulay stated that he is unaware of any type of research that had been done by the historic preservation staff for the potential landmarking of this site.

Commissioner Michaels asked about the scope of renovations stated in the staff report. Mr. MacAulay deferred to Ms. Sokolik to answer. Ms. Sokolik stated that they are fully committed to restoring the property, both inside and outside, with the intent to make it look and feel like home.

Commission Chair Carter asked what was done to study the structure of the property. Ms. Sokolik stated that they had two architects and the builder review the site with them and they are aware of the problems needing to be resolved (e.g.: asbestos, termite infestation, roof collapsing in one area). The site has been studied several times and a plan is actually in place.

Commissioner Smith asked about the number of homeless teens in St. Petersburg. Ms. Matway stated that she does not have the exact number for St. Petersburg.

Commissioner Reese asked that if the request is approved, would it impact an historic designation of this property in the future. Mr. MacAulay replied that it would not negate the ability to file an application pursuing landmark status in the future.

Commissioner Michaels asked if restoring means back to its original state or something else. Ms. Sokolik stated that the building's exterior will be painted but will remain the same with no changed or added structures. The interior of the school will need to be gutted to accommodate residential areas, meeting rooms and offices.

Commissioner Michaels stated that he is in favor the program but would also like the Commission to consider beginning the process of considering the property for possible landmarking and make an amendment asking staff to evaluate the subject property for potential landmarking in the future.

Commissioner Wolf stated his agreement with Commissioner Michaels and suggested moving this forward with a recommendation that it be considered during the process.

Michael Dema stated that a separate motion is suggested recommending City Council initiate an inquiry into the possible historic designation apart of the application before them today. Commissioners Michaels and Wolf voiced their agreement with Mr. Dema's suggestion.

Commissioner Wolf stated his belief that the land use and zoning amendments are consistent with the Comprehensive Plan and he will vote to support the request.

1st MOTION: *Commissioner Wolf moved and Commissioner Smith seconded a motion approving the Future Land Use Map designation and Official Zoning Map designation amendments in accordance with the staff report.*

VOTE: *YES – Michaels, Reese, Wannemacher, Wolf, Carter, Smith, Whiteman
NO - None*

Motion was approved by a vote of 7 to 0.

2nd MOTION: *Commissioner Wolf moved and Commissioner Michaels seconded a motion to recommend to City Council that they evaluate the property for a potential landmark designation during their review and approval process of the land use and zoning amendments.*

VOTE: **YES – Michaels, Reese, Wannemacher, Wolf, Carter, Smith, Whiteman**
 NO - None

Motion was approved by a vote of 7 to 0.

B. FLUM-22-A

Contact Person: Rick MacAulay, 551-3386

Location: The subject area, estimated to be 0.80 acres or 35,000 sq. ft. in size, is generally located on the southwest corner of 11th Avenue South and 4th Street South, approximately 120 feet west of the intersection. The amendment area is a portion of a larger 2.5 acre City-owned property.

Request: This is a City-initiated application requesting to amend the Future Land Use Map designation from Residential Medium to Planned Redevelopment-Mixed Use and the Official Zoning Map designation from NSM-1 (Neighborhood Suburban Multifamily) to CCT-1 (Corridor Commercial Traditional), or other less intensive use.

Staff Presentation

Rick MacAulay gave a presentation based on the staff report.

Commissioner Wannemacher asked if the Tampa Bay Innovation Center is leasing the entire 2 ½ acre parcel or just the eastern two parcels. Mr. MacAulay stated that he understands the lease agreement is for the entire City-owned parcel.

Commissioner Wannemacher asked if the site plan will go through DRC. Mr. MacAulay replied that the site plan would not be subject to a DRC public hearing if variances are not needed.

As the project or the design is further developed Commissioner Wannemacher highly encouraged the City and Tampa Bay Innovation Center representatives to meet with each of the neighborhood associations to ensure their support; to keep them informed and to be good neighbors.

Commissioner Wolf asked for clarification of the area to be developed. Mr. MacAulay stated that the two eastern parcels will be developed and a proposed Booker Creek trailhead park will be located on the western parcel.

Commissioner Michaels stressed the importance of reaching out to the surrounding neighborhoods keeping the communication open and then asked if the City will retain ownership of the land, to which Mr. MacAulay replied, yes.

Commissioner Michaels asked if the City would own the building after the lease expires, to which Mr. MacAulay replied, yes. Mr. MacAulay went on to say that there is an initial 25-year lease with the ability to extend it in five-year increments.

Public Hearing

Don Mosley, 651 – 10th Ave S, spoke in opposition of the request; consideration was not given to use one of the vacant buildings located on the west side of 4th Street just north of the subject property; not sure what will be developed on the eastern parcel along 4th St and what will happen to the proposed trailhead park if the proposed trail project does not materialize; and the property contains old oak trees and mature growth lending to a park-like atmosphere.

Tonya Elmore, President and CEO of Tampa Bay Innovation Center, spoke in support of the request; she explained the mission/vision of the Center; and that a consultant hired by the Center recommended the subject site as the location for the proposed project.

Commission Chair Carter asked about the parking. Ms. Elmore explained that some parking will be located under the building with surface parking and green space extending to the back.

Commission Chair Carter asked if the subject property is located within a flood zone, to which Ms. Elmore replied, yes.

Executive Session

MOTION: *Commissioner Wolf moved and Commissioner Smith seconded a motion approving the Future Land Use Map designation and Official Zoning Map designation amendments in accordance with the staff report.*

VOTE: *YES – Michaels, Reese, Wannemacher, Wolf, Carter, Smith, Whiteman
NO - None*

Motion was approved by a vote of 7 to 0.

V. PUBLIC HEARING**A. Review of Historic Roser Park
Neighborhood Plan Update**

Contact Person: Susan Ajoc, 893-7356

Staff Presentation

Susan Ajoc gave a PowerPoint presentation based on the staff report.

Commissioner Michaels asked about the creation of a registry of historic homes and land bank for historic properties and also matching the national register boundaries with the local historic district boundaries as mentioned in the staff report. Ms. Ajoc stated that the consultant was not present at today's meeting to respond but thought that this would ensure consistency in terms of any changes that may occur. Ms. Ajoc indicated that she did not hear the specific issues related to the residents' interest in matching the national and local historic district boundaries and will follow up. Commissioner Michaels asked Ms. Ajoc to provide them with an explanatory memo before the next CPPC meeting.

Commission Chair Carter asked about the status of the sidewalk trail going through Booker Creek. Ms. Ajoc stated that City staff is working with the neighborhood to resolve and identify the exact path as it moves forward. Ms. Ajoc continued to say that this was separated from the neighborhood plan because of the knowledge that a considerable amount of public input would be needed and the consultant working on the plan may not have been able to address the trail project in the manner needed. A final path has not been determined at this point.

Public Hearing

Don Mosley, 651 – 10th Ave S, spoke in opposition of the neighborhood plan update; small number of households represented at the neighborhood meeting approving the plan (six); number of items missing from the plan (Pinellas Trail Project and noise emission impacting the neighborhood from the hospital, helicopters, generating plan, air conditioning towers and physical plant); and the plan was presented only to the Neighborhood Association at the earlier meetings and not to the entire neighborhood.

Michele Cardinal, 909 Prospect Ct S and representing the Historic Roser Park NA, spoke in favor of the neighborhood plan. Ms. Cardinal stated the entire neighborhood was noticed, not just the neighborhood association

Executive Session

Commissioner Michaels asked if the Neighborhood Association is in support of the plan. Ms. Ajoc explained that at the onset of the neighborhood planning process it was made clear that this was not just a neighborhood association project but for anyone that has an invested interest in the neighborhood. Ms. Ajoc went on to say that in this instance she did not ask for a separate vote from the Neighborhood Association.

Commissioner Michaels commented that the Neighborhood Association had not taken a position. Ms. Cardinal explained that the Neighborhood Association Board is in agreement with the plan but had not taken a formal vote.

Commissioner Wannemacher asked if the neighborhood plan addresses any noise abatement or buffering along the edges of the neighborhood. Ms. Ajoc replied not specifically but they are aware of the issue and are addressing the concerns on an on-going basis.

MOTION: *Commissioner Whiteman moved and Commissioner Wolf seconded a motion finding the Historic Roser Park Neighborhood Plan Update consistent with the Comprehensive Plan and to move forward to City Council for approval in accordance with the staff report.*

VOTE: *YES – Michaels, Reese, Wannemacher, Wolf, Carter, Smith, Whiteman
NO - None*

Motion was approved by a vote of 7 to 0.

The following item (LDR 2014-07) was deferred for 30 days at the applicant's request.

B. LDR 2014-07

Contact Person: Derek Kilborn, 893-7872

Request: This is a City-initiated request to amend the Land Development Regulations ("LDRs"), Chapter 16, Section 16.30.070, City Code of Ordinances pertaining to the Historic Preservation Ordinance.

Commission Chair Carter requested a CPPC workshop on this item prior to the next meeting.

VI. CPPC MEMBER COMMENTS, ANNOUNCEMENTS

Commissioner Michaels gave an update on the Planning & Education Committee regarding the goal to update and expand the 2006 list of eligible downtown properties to properties City-wide. A letter was sent to Derek Kilborn for his review to begin this process

VII. ADJOURN

With no further items to come before the Commission, the public hearing was adjourned at 4:50 p.m.

ST. PETERSBURG CITY COUNCIL

Meeting of November 24, 2014

TO: The Honorable Bill Dudley, Chair, and Members of City Council

SUBJECT: **City File: FLUM 22-A:** City-initiated application proposing amendments to the Future Land Use Map and Official Zoning Map designations for property generally located on the southwest corner of 11th Avenue South and 4th Street South, approximately 120-feet west of the intersection.

A detailed analysis of the request is provided in Staff Report FLUM 22-A, attached.

- REQUEST:**
- (A) ORDINANCE ____-L amending the Future Land Use Map designation from Residential Medium to Planned Redevelopment-Mixed Use.
 - (B) ORDINANCE ____-Z amending the Official Zoning Map designation from NSM-1 (Neighborhood Suburban Multifamily) to CCT-1 (Corridor Commercial Traditional), or other less intensive use.
 - (C) RESOLUTION ____ requesting an amendment to the Countywide Future Land Use Plan Map, as described above, to comply with the requirements of the Pinellas Planning Council and Pinellas County Board of County Commissioners.

RECOMMENDATION:

Administration: The Administration recommends APPROVAL.

Public Input: Three phone calls have been received: the president of the Historic Roser Park Neighborhood (HRPN) and the president of the Old Southeast Neighborhood (both requesting additional information); and the third caller was opposed to the application. A City staff member and a representative from the Tampa Bay Innovation Center also attended a board meeting of the HRPN on October 10th, to discuss the application, which was also attended by a representative of Old Southeast.

Community Planning & Preservation Commission (CPPC): On October 14, 2014 the CPPC held a public hearing regarding these amendments, and voted unanimously 7 to 0 to recommend APPROVAL.

City Council Action: On November 6, 2014 the City Council conducted the first reading of the proposed ordinances and set the second reading and adoption public hearing for November 24, 2014.

Recommended City Council Action: 1) CONDUCT the second reading of the proposed ordinances; 2) CONDUCT the public hearing; AND 3) ADOPT the ordinances and the associated resolution.

Attachments: Ordinances (2), Resolution, CPPC Minutes, Staff Report

ORDINANCE NO. ____-L

AN ORDINANCE AMENDING THE FUTURE LAND USE ELEMENT OF THE COMPREHENSIVE PLAN FOR THE CITY OF ST. PETERSBURG, FLORIDA; CHANGING THE LAND USE DESIGNATION OF PROPERTY GENERALLY LOCATED ON THE SOUTHWEST CORNER OF 11TH AVENUE SOUTH AND 4TH STREET SOUTH, APPROXIMATELY 120-FEET WEST OF THE INTERSECTION FROM RESIDENTIAL MEDIUM TO PLANNED REDEVELOPMENT-MIXED USE; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES AND PROVISIONS THEREOF; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 163, Florida Statutes, established the Local Government Comprehensive Planning and Land Development Regulation Act; and

WHEREAS, the City of St. Petersburg Comprehensive Plan and Future Land Use Map are required by law to be consistent with the Countywide Comprehensive Plan and Future Land Use Map and the Pinellas Planning Council is authorized to develop rules to implement the Countywide Future Land Use Map; and

WHEREAS, the St. Petersburg City Council has considered and approved the proposed St. Petersburg land use amendment provided herein as being consistent with the proposed amendment to the Countywide Future Land Use Map which has been initiated by the City; now, therefore

THE CITY OF ST. PETERSBURG DOES ORDAIN:

SECTION 1. Pursuant to the provisions of the Local Government Comprehensive Planning and Land Development Act, as amended, and pursuant to all applicable provisions of law, the Future Land Use Map of the City of St. Petersburg Comprehensive Plan is amended by placing the hereinafter described property in the land use category as follows:

Property

The eastern 110-feet of Lot 1, Royal Poinciana Subdivision – Kamman Partial Replat.

Land Use Category

From: Residential Medium

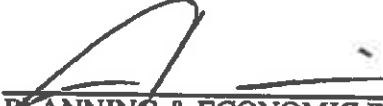
To: Planned Redevelopment-Mixed Use


SECTION 2. All ordinances or portions of ordinances in conflict with or inconsistent with this ordinance are hereby repealed to the extent of such inconsistency or conflict.

SECTION 3. In the event this ordinance is not vetoed by the Mayor in accordance with the City Charter, it shall become effective upon approval of the required Land Use Plan change by the Pinellas County Board of County Commissioners (acting in their capacity as the Countywide Planning Authority) and upon issuance of a final order determining this amendment to be in compliance by the Department of Economic Opportunity (DOE) or until the Administration Commission issues a final order determining this amendment to be in compliance, pursuant to Section 163.3187, F.S. In the event this ordinance is vetoed by the Mayor in accordance with the City Charter, it shall not become effective unless and until the City Council overrides the veto in accordance with the City Charter, in which case it shall become effective as set forth above.

APPROVED AS TO FORM AND SUBSTANCE:

FLUM 22-A
(Land Use)


PLANNING & ECONOMIC DEVELOPMENT DEPARTMENT
10-13-14
DATE


ASSISTANT CITY ATTORNEY
10/15/14
DATE

ORDINANCE NO. ____-Z

AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF ST. PETERSBURG, FLORIDA; BY CHANGING THE ZONING OF PROPERTY GENERALLY LOCATED ON THE SOUTHWEST CORNER OF 11TH AVENUE SOUTH AND 4TH STREET SOUTH, APPROXIMATELY 120- FEET WEST OF THE INTERSECTION, FROM NSM-1 (NEIGHBORHOOD SUBURBAN MULTIFAMILY) TO CCT-1 (CORRIDOR COMMERCIAL TRADITIONAL); PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES AND PROVISIONS THEREOF; AND PROVIDING AN EFFECTIVE DATE.

THE CITY OF ST. PETERSBURG DOES ORDAIN:

SECTION 1. The Official Zoning Map of the City of St. Petersburg is amended by placing the hereinafter described property in a Zoning District as follows:

Property

The eastern 110-feet of Lot 1, Royal Poinciana Subdivision – Kamman Partial Replat.

District

From: NSM-1 (Neighborhood Suburban Multifamily)

To: CCT-1 (Corridor Commercial Traditional)

SECTION 2. All ordinances or portions of ordinances in conflict with or inconsistent with this ordinance are hereby repealed to the extent of such inconsistency or conflict.

SECTION 3. This ordinance shall become effective upon the date the ordinance adopting the required amendment to the City of St. Petersburg Comprehensive Plan's Future Land Use Map becomes effective (Ordinance ____-L).

APPROVED AS TO FORM AND SUBSTANCE:

FLUM 22-A
(Zoning)


PLANNING & ECONOMIC DEVELOPMENT DEPARTMENT

10-10-14
DATE


ASSISTANT CITY ATTORNEY

10/15/14
DATE

RESOLUTION NO. 2014-____

A RESOLUTION TRANSMITTING A
PROPOSED AMENDMENT TO THE CITY OF
ST. PETERSBURG LOCAL GOVERNMENT
COMPREHENSIVE PLAN; AND PROVIDING
AN EFFECTIVE DATE.

WHEREAS, the St. Petersburg City Council has held the requisite public hearing
in consideration of a request to amend the Local Government Comprehensive Plan; and

WHEREAS, the St. Petersburg City Council has considered and approved the
proposed St. Petersburg Comprehensive Plan amendment, and determined it to be consistent with
the Countywide Future Land Use Plan and Rules.

NOW, THEREFORE, BE IT RESOLVED By the City Council of the City of St.
Petersburg, Florida:

That the City Council of St. Petersburg does hereby transmit the
proposed amendment to the Local Government Comprehensive
Plan to the Pinellas Planning Council (PPC) for a consistency
review with the Countywide Future Land Use Plan and Rules.

This Resolution shall become effective immediately upon its adoption.

APPROVED AS TO FORM AND SUBSTANCE:

City File FLUM 22-A


PLANNING & ECONOMIC DEVELOPMENT DEPARTMENT

10-23-14
DATE


ASSISTANT CITY ATTORNEY

10/27/14
DATE



**CITY OF ST. PETERSBURG
COMMUNITY PLANNING & PRESERVATION COMMISSION
PUBLIC HEARING
October 14, 2014**

IV. QUASI-JUDICIAL PUBLIC HEARING

B. FLUM-22-A

Contact Person: Rick MacAulay, 551-3386

Location: The subject area, estimated to be 0.80 acres or 35,000 sq. ft. in size, is generally located on the southwest corner of 11th Avenue South and 4th Street South, approximately 120 feet west of the intersection. The amendment area is a portion of a larger 2.5 acre City-owned property.

Request: This is a City-initiated application requesting to amend the Future Land Use Map designation from Residential Medium to Planned Redevelopment-Mixed Use and the Official Zoning Map designation from NSM-1 (Neighborhood Suburban Multifamily) to CCT-1 (Corridor Commercial Traditional), or other less intensive use.

Staff Presentation

Rick MacAulay gave a presentation based on the staff report.

Commissioner Wannemacher asked if the Tampa Bay Innovation Center is leasing the entire 2 ½ acre parcel or just the eastern two parcels. Mr. MacAulay stated that he understands the lease agreement is for the entire City-owned parcel.

Commissioner Wannemacher asked if the site plan will go through DRC. Mr. MacAulay replied that the site plan would not be subject to a DRC public hearing if variances are not needed.

As the project or the design is further developed Commissioner Wannemacher highly encouraged the City and Tampa Bay Innovation Center representatives to meet with each of the neighborhood associations to ensure their support; to keep them informed and to be good neighbors.

Commissioner Wolf asked for clarification of the area to be developed. Mr. MacAulay stated that the two eastern parcels will be developed and a proposed Booker Creek trailhead park will be located on the western parcel.

Commissioner Michaels stressed the importance of reaching out to the surrounding neighborhoods keeping the communication open and then asked if the City will retain ownership of the land, to which Mr. MacAulay replied, yes.

Commissioner Michaels asked if the City would own the building after the lease expires, to which Mr. MacAulay replied, yes. Mr. MacAulay went on to say that there is an initial 25-year lease with the ability to extend it in five-year increments.

Public Hearing

Don Mosley, 651 – 10th Ave S, spoke in opposition of the request; consideration was not given to use one of the vacant buildings located on the west side of 4th Street just north of the subject property; not sure what will be developed on the eastern parcel along 4th St and what will happen to the proposed trailhead park if the proposed trail project does not materialize; and the property contains old oak trees and mature growth lending to a park-like atmosphere.

Tonya Elmore, President and CEO of Tampa Bay Innovation Center, spoke in support of the request; she explained the mission/vision of the Center; and that a consultant hired by the Center recommended the subject site as the location for the proposed project.

Commission Chair Carter asked about the parking. Ms. Elmore explained that some parking will be located under the building with surface parking and green space extending to the back.

Commission Chair Carter asked if the subject property is located within a flood zone, to which Ms. Elmore replied, yes.

Executive Session

MOTION: *Commissioner Wolf moved and Commissioner Smith seconded a motion approving the Future Land Use Map designation and Official Zoning Map designation amendments in accordance with the staff report.*

VOTE: *YES – Michaels, Reese, Wannemacher, Wolf, Carter, Smith, Whiteman*
NO - None

Motion was approved by a vote of 7 to 0.



Staff Report to the St. Petersburg Community Planning & Preservation Commission
Prepared by the Planning & Economic Development Department,
Urban Planning and Historic Preservation Division

For Public Hearing and Executive Action on October 14, 2014
at 3:00 p.m., in the City Council Chambers, City Hall,
175 Fifth Street North, St. Petersburg, Florida.

City File: FLUM-22-A
Agenda Item #2

According to Planning and Economic Development Department records, no Community Planning & Preservation Commission member owns property located within 2,000 feet of the subject property. All other possible conflicts should be declared upon announcement of the item.

APPLICANT:

City of St. Petersburg
City Hall - 175 5th Street North
St. Petersburg, FL 33701

PROPERTY OWNER:

City of St. Petersburg
Attention: Real Estate & Property Management
P.O. Box 2842
St. Petersburg, FL 33731

SUBJECT PROPERTY:

The subject property, estimated to be 0.80 acres or 35,000 sq. ft. in size, is generally located on the southwest corner of 11th Avenue South and 4th Street South, approximately 120-feet west of the intersection. The subject property is a portion of a larger 2.5 (more or less) acre City-owned property.

PIN/LEGAL:

The subject property is a portion of parcel number 30/31/17/77418/000/0010. The subject area is legally described as the eastern 110-feet of Lot 1, Royal Poinciana Subdivision – Kamman Partial Replat.

City File: FLUM-22-A
Page 1

REQUEST:

The request is to amend the Future Land Use Map designation from Residential Medium to Planned Redevelopment-Mixed Use (PR-MU) and the Official Zoning Map designation from NSM-1 (Neighborhood Suburban Multifamily) to CCT-1 (Corridor Commercial Traditional), or other less intensive use.

PURPOSE:

When combined with similarly designated property immediately abutting to the east, the requested PR-MU and CCT-1 designations will permit the Tampa Bay Innovation Center (TBIC) to construct a not-less-than 40,000 sq. ft. office building that will provide jobs and help support the City and County by providing space for research, innovation and entrepreneurs including but not limited to technology, health sciences and marine research uses. (Additional background information is provided in the Staff Analysis section of this report.)

EXISTING USES:

The subject 0.80 acre or 35,000 sq. ft. area is a portion of a larger 2.5 (more or less) acre City-owned property, and all of it is vacant.

SURROUNDING USES:

The surrounding uses are as follows:

- North: Single family homes, and a closed commercial business
- South: Booker Creek, and a mix of single and multifamily residences and vacant residential lots
- East: Vacant land on the east side of 4th Street South
- Southeast: Strip commercial
- West: Booker Creek, and a mix of single and multifamily residences and vacant residential lots

NEIGHBORHOOD ASSOCIATION:

The subject property is located within the Bartlett Park Neigh. Assoc., and is immediately south of the Historic Roser Park Neigh. Assoc., as 11th Avenue South serves as Bartlett Park's northern boundary and Historic Roser Park's southern boundary. Both neighborhoods have approved *neighborhood plans*, which are discussed briefly in the Staff Analysis section of this report. The subject property is also located northwest of the Old Southeast Neigh. Assoc. Finally, the property is located within the boundaries of the Downtown Business Association and the 4th Street Business Association. All of these associations, as well as property owners located within 200-feet of the subject area, received a 30-day notice in advance of this CPPC meeting.

ZONING HISTORY:

From 1977 to 2007, the subject property was designated with RM-12/15 (Residential Multifamily) zoning. The current NSM-1 (Neighborhood Suburban Multifamily) zoning has been in place since September 2007, following implementation of the City's Vision 2020 Plan, the City-wide rezoning and update of the City Code, Chapter 16, Land Development Regulations (LDRs).

APPLICABLE REGULATIONS:

It should be noted that the subject area will not be redeveloped separate from the (estimated) 0.80 acre parcel immediately abutting to the east.

The subject property is estimated to be 0.80 acres, or 35,000 sq. ft., in size. Development potential under the present NSM-1 zoning designation is 12 multifamily residential units, based on a density of 15 units/acre. A workforce housing density bonus of six units/acre could increase the development potential an additional five units if all of the requirements of the Workforce Housing Ordinance are met.

Development potential under the proposed CCT-1 zoning designation is as follows:

1. *Single-use residential* up to 19 multifamily units, calculated at a density of 24 units per acre. A workforce housing density bonus of six (6) units per acre could result in an additional five units for a maximum total of 24 units; and
2. *Single-use non-residential* up to 35,000 square feet of office or retail space, by right, calculated at a maximum floor-area-ratio (FAR) of 1.0.
3. *Mixed-use residential and non-residential* up to 35,000 square feet and not to exceed 24 multifamily units, calculated at a maximum floor-area-ratio (FAR) of 1.0.

STAFF ANALYSIS:

As previously stated, when combined with similarly designated property immediately abutting to the east, if approved, the requested PR-MU and CCT-1 designations for the subject property will permit the Tampa Bay Innovation Center (TBIC) to construct a not-less-than 40,000 sq. ft. office building that will provide jobs and help support the City and County by providing space for research, innovation and entrepreneurs including but not limited to technology, health sciences and marine research uses.

Background

In April 2014, the City received a proposal from the Tampa Bay Innovation Center (TBIC) to lease and develop approximately 2.5 acres of City-owned property generally located on the southwest corner of 11th Avenue South and 4th Street South. Because the eastern portion of the property is located within the Bayboro Harbor Community

City File: FLUM-22-A

Page 3

Redevelopment Area (CRA) the City published a public notice (pursuant to Florida Statutes) seeking alternative proposals from the private sector or any persons/entities interested in undertaking the lease and development of the property consistent with the Bayboro Harbor Community Redevelopment Plan. No alternative proposals were received, and on June 19, 2014 the City Council approved a lease and development agreement with the TBIC. As part of the agreement, TBIC is to construct an office building at least 40,000 sq. ft. in size and endeavor to create 100 or more new jobs through the growth and development of client start-ups, an anchor tenant, and TBIC staffing needs following completion of the building.

Tampa Bay Innovation Center (TBIC)

Currently housed at the Young-Rainey Science, Technology and Research Center in Largo, the Tampa Bay Innovation Center (TBIC) is a 501(c)3 not-for-profit organization that assists emerging and entrepreneurial companies in the technology and manufacturing sectors in accelerating their success. Serving the role often played by a business incubator or business accelerator, TBIC offers a unique "mind to market" model for working with entrepreneurs from concept through exit strategy, providing mentoring, coaching, shared equipment, conference and office space, educational workshops and access to financial markets. TBIC has been in operation for more than 11 years.

In accordance with the lease and development agreement executed with the City in June 2014, TBIC will pay a nominal rent to the City for an initial term of 25 years, and will design and construct an office building not-less-than 40,000 sq. ft. in size to house entrepreneurs, scientists, researchers and innovators. Since its inception, TBIC has a proven track record in creating jobs and providing economic benefits through its incubator program where it excels in assisting emerging companies with promising technologies to become sustainable reality as it works with entrepreneurs. TBIC's mentoring services, market research, shared equipment and shared office space help provide economic opportunity and impact for its clients.

TBIC and the City's Greenhouse work collaboratively on programming and services, relative to the Greenhouse mission to assist entrepreneurs in the area of innovation and small business. The Greenhouse has hosted TBIC educational and outreach programs that expand the scope of resources available to the start-up community and this relationship is providing a pathway for the City's and County's entrepreneurial development.

Proposed Bicycle "Trailhead Park"

The western-most portion of the overall 2.5 acre City-owned property has been identified as the location of a "trailhead" park for the proposed Historic Booker Creek Trail. It is the intention of the City and the TBIC to include parking spaces for a trailhead in anticipation of the Historic Booker Creek Trail's construction. It will include associated signage indicating that parking for trail users is permitted. The number and location of parking spaces, including the location of bicycle racks, will be determined in cooperation with the TBIC and the Transportation and Parking Management Department.

Land Use and Zoning Consistency and Compatibility

The overall character of the area immediately surrounding the subject property is (arguably) dominated by Booker Creek and the nonresidential uses along both sides of 4th Street South. The proposed PR-MU Future Land Use Map designation and CCT-1 Official Zoning Map designation are consistent with existing designations immediately to the east, along the west side of 4th Street South. Specifically, the west side of 4th Street South between the northwest corner of 11th Avenue South and 18th Avenue South is designated with PR-MU future land use and CCT-1 zoning, and it should be noted that the proposed depth of the PR-MU and CCT-1 designations is consistent with the existing depth between Paris Avenue and 18th Avenue South. However, if approved, the requested designations will encroach deeper into a residentially-designated area of the Historic Roser Park and Bartlett Park neighborhoods, potentially affecting the single family homes on the north side of 11th Avenue South. While the avenue separates the existing homes on the north side from the subject property, the residences to the west and south will continue to be buffered by Booker Creek. Additional buffering measures can be implemented during the site plan approval process as may be appropriate and necessary to ensure the proper transition. Thus, City staff believes that on balance, the request is still generally consistent with Policy LU3.4 of the Comprehensive Plan, which states that *the Land Use Plan shall provide for compatible land use transition through an orderly land use arrangement, proper buffering, and the use of physical and natural separators*, and with Policy LU3.6 which states that *land planning should weigh heavily the established character of predominantly developed areas where changes of use or intensity of development are contemplated*.

Additionally, the proposed PR-MU and CCT-1 designations are consistent with Objective LU4(2), which states that *the City shall provide opportunities for additional commercial development where appropriate*.

Bayboro Harbor Redevelopment Plan and Community Redevelopment Area

The Bayboro Harbor Redevelopment Plan was adopted by the City in 1982. The amendment area is not located within the boundaries of the Bayboro Harbor Community Redevelopment Area (CRA), however, the parcel immediately abutting to the east (fronting on the west side of 4th Street) is located within the CRA. The proposed 40,000 sq. ft. office building is consistent with the Redevelopment Plan's objective to encourage expansion and support for job creating and employment oriented uses within the CRA.

Neighborhood Plans

As previously noted, the subject property is located within the Bartlett Park neighborhood (in the far northeast corner) and is immediately south of the Historic Roser Park neighborhood, as 11th Avenue South serves as Bartlett Park's northern boundary and Historic Roser Park's southern boundary. Both neighborhoods have approved neighborhood plans.

The Bartlett Park Neighborhood Plan was approved in 1992, approximately 22 years ago. The neighborhood is divided into three zones and the subject property is located within Zone 1. There are no specific references to the subject area, and the intersection of 11th Ave. and 4th Street South is not particularly highlighted within the plan. It can be concluded however, that the Tampa Bay Innovation Center's construction of a 40,000 sq. ft. office building is supported by the neighborhood plan, because the plan strongly encourages new construction, redevelopment and rehabilitation within the overall neighborhood.

The Historic Roser Park Neighborhood Plan was originally approved in 1993, approximately 21 years ago, however, an update to the plan, entitled (RE)IMAGINE HISTORIC ROSER PARK, has been submitted to the City for review and approval (including a public hearing to be conducted by the Community Planning & Preservation Commission on October 14, 2014). The plan update identifies the intersection of 4th Street and 11th Avenue South as an important "secondary gateway" into the neighborhood, while one of the identified issues/opportunities is expanding commercial development along 4th Street. Construction of a 40,000 sq. ft. office building at the intersection of 4th Street and 11th Avenue South is a significant commercial development investment along the corridor, and will reinforce the "gateway" aspect of this intersection.

In addition, the (RE)IMAGINE Plan advocates Green Complete Streets, with bicycle and pedestrian emphasis along Roser Park Drive, 10th Avenue South and 11th Avenue South. Such emphasis will facilitate 'neighborhood' street enhancements providing connectivity intended to accommodate predominantly pedestrian and bicycle traffic.

Traffic Impact

Roadway level of service (LOS) and traffic impacts are addressed in the Impact Section of this report. To summarize, an amendment from Residential Medium to Planned Redevelopment-Mixed Use for the 0.80 acre subject area will likely result in a net increase of 112 p.m. peak hour trips, however, such an increase would not have an impact on the roadway level of service, consistent with Policy LU3.18, which states that *all retail and office activities shall be located, designed and regulated so as to benefit from the access afforded by major streets without impairing the efficiency of operation of these streets or lowering the LOS below adopted standards, and with proper facilities for pedestrian convenience and safety*, as well as Policy T1.3, which states that *the City shall review the impact of all rezoning proposals and requests to amend the FLUM on the City's transportation system. FLUM amendment requests that increase traffic generation potential shall demonstrate that roadway and/or mass transit capacity are available to accommodate the additional demand.*

Other Public Facility Level of Service (LOS) Considerations

The Level of Service (LOS) impact section of this report concludes that the proposed Plan change and rezoning will not impact the City's adopted LOS standards for public

services and facilities including schools, potable water, sanitary sewer, solid waste, traffic, mass transit, recreation, and stormwater management. The City has more than sufficient capacity to serve the amendment area.

SPECIAL NOTE ON CONCURRENCY:

Levels of Service impacts are addressed further in this report. Approval of this land use change and rezoning request does not guarantee that the subject property will meet the requirements of Concurrency at the time development permits are requested. **Completion of this land use plan change and rezoning does not guarantee the right to develop on the subject property.** Upon application for site plan review, or development permits, a full concurrency review will be completed to determine whether or not the proposed development may proceed. The property owner will have to comply with all laws and ordinances in effect at the time development permits are requested.

RECOMMENDATION:

City staff recommends **APPROVAL** of the proposal to amend the Future Land Use Map designation from Residential Medium to Planned Redevelopment-Mixed Use, and Official Zoning Map designation from NSM-1 (Neighborhood Suburban Multifamily) to CCT-1 (Corridor Commercial Traditional), or less intensive use, on the basis that the proposal is consistent with the goals, objectives and policies of the City's Comprehensive Plan.

**RESPONSES TO RELEVANT
CONSIDERATIONS ON AMENDMENTS
TO THE LAND USE PLAN:**

- a. **Compliance of probable use with goals, objectives, policies and guidelines of the City's Comprehensive Plan.**

The following policies and objectives from the Comprehensive Plan are applicable:

- LU3.1.(F)(2) Planned Redevelopment – Mixed Use (MU) - allowing mixed use retail, office, service and medium density residential uses not to exceed a floor area ratio of 1.25 and a net residential density of 24 dwelling units per acre.
- LU3.4 The Land Use Plan shall provide for compatible land use transition through an orderly land use arrangement, proper buffering, and the use of physical and natural separators.
- LU3.6 Land planning should weigh heavily the established character of predominantly developed areas where changes of use or intensity of development are contemplated.
- LU3.7 Land use planning decisions shall include a review to determine whether existing Land Use Plan boundaries are logically drawn in relation to existing conditions and expected future conditions.
- LU3.18 All retail and office activities shall be located, designed and regulated so as to benefit from the access afforded by major streets without impairing the efficiency of operation of these streets or lowering the LOS below adopted standards, and with proper facilities for pedestrian convenience and safety.
- LU4(2) Commercial – the City shall provide opportunities for additional commercial development where appropriate.
- T1.3 The City shall review the impact of all rezoning proposals and requests to amend the FLUM on the City's transportation system. FLUM amendment requests that increase traffic generation potential shall demonstrate that roadway and/or mass transit capacity are available to accommodate the additional demand.

- b. **Whether the proposed amendment would impact environmentally sensitive lands or areas which are documented habitat for listed species as defined by the Conservation Element of the Comprehensive Plan.**

The proposed amendment will not impact environmentally sensitive lands or areas which are documented habitat for listed species as defined by the Conservation Element of the Comprehensive Plan.

- c. **Whether the proposed change would alter population or the population density pattern and thereby impact residential dwelling units and or public schools.**

The proposed change will not alter population or the population density pattern, and will not increase the number of residential dwelling units nor impact public schools. In June 2014, the City Council approved a lease and development agreement with the Tampa Bay Innovation Center (TBIC) to lease and develop approximately 2.5 acres of City-owned property. The 0.80 acre area that is the subject of the land use amendment and rezoning is a portion of the overall 2.5 acre area. As part of the agreement, TBIC is to construct an office building at least 40,000 sq. ft. in size and endeavor to create 100 or more new jobs through the growth and development of client start-ups, an anchor tenant, and TBIC staffing needs following completion of the building.

- d. **Impact of the proposed amendment upon the following adopted levels of service (LOS) for public services and facilities including but not limited to: water, sewer, sanitation, traffic, mass transit, recreation, stormwater management.**

The proposed change *will not* have an impact on the City's adopted levels of service for potable water, sanitary sewer, solid waste, traffic, mass transit, stormwater management and recreation. The City has sufficient capacity to serve the subject 0.80 acre area should the proposed land use change and rezoning be approved.

WATER

Under the existing interlocal agreement with Tampa Bay Water (TBW), the region's local governments are required to project and submit, on or before February 1 of each year, the anticipated water demand for the following water year (October 1 through September 30). TBW is contractually obligated to meet the City's and other member governments' water supply needs. The City's current potable water demand is 28.3 million gallons per day.

The City's adopted level of service (LOS) standard for potable water is 125 gallons per capita per day, while the actual usage is estimated to be 79 gallons per capita per day. The demand for potable water may increase slightly under the proposed CCT-1 zoning however, there will be no impact on the City's adopted LOS standard.

WASTEWATER

The subject property is served by the Albert Whitted Water Reclamation Facility, which presently has excess capacity estimated to be 5.98 million gallons per day. Thus, there is excess sanitary sewer capacity to serve the amendment area.

SOLID WASTE

All solid waste *disposal* is the responsibility of Pinellas County. The County currently receives and disposes of municipal solid waste, and construction and demolition debris, generated throughout Pinellas County. The Pinellas County Waste-to-Energy Plant and the Bridgeway Acres Sanitary Landfill are the responsibility of Pinellas County Utilities, Department of Solid Waste Operations; however, they are operated and maintained under contract by two private companies. The Waste-to-Energy Plant continues to operate below its design capacity of incinerating 985,500 tons of solid waste per year. The continuation of successful recycling efforts and the efficient operation of the Waste-to-Energy Plant have helped to extend the life span of Bridgeway Acres. The landfill has approximately 30 years remaining, based on current grading and disposal plans.

There is excess solid waste capacity to serve the amendment area.

TRAFFIC

As previously stated, the subject property, estimated to be 0.80 acres in size, is generally located on the southwest corner of 11th Avenue South and 4th Street South, approximately 120-feet west of the intersection.

Based on the Pinellas County MPO's 2014 Level of Service Report, the level of service for 4th Street South, between 9th Avenue South and 18th Avenue South is "B." Fourth Street South is a collector road and is maintained by the City.

The 0.80 acre subject area's vehicle trip generation rate under the existing Residential Medium designation is approximately 8 p.m. peak hour trips, and 25 p.m. peak hour trips under the proposed Planned Redevelopment-Mixed. Thus, an amendment from Residential Medium to Planned Redevelopment-Mixed Use will likely result in a net increase of only 17 p.m. peak hour trips. Such an increase would not have an impact on the roadway level of service.

MASS TRANSIT

The Citywide LOS standard for mass transit is headways less than one hour. PSTA provides local transit service along 4th Street South (Route 4) with a 15-minute headway.

RECREATION

The City's adopted LOS standard for recreation and open space (R/OS) is nine (9) acres per 1,000 population. However, for many years the City has enjoyed an actual R/OS level of service that is estimated to be 21.9 acres per 1,000 population. The proposed amendment will not affect the City's adopted LOS standard for recreation and open space.

STORMWATER MANAGEMENT

Prior to development of the subject property, site plan approval will be required. At that time, the stormwater management system for the site will be required to meet all city and SWFWMD stormwater management criteria.

- e. **Appropriate and adequate land area sufficient for the use and reasonably anticipated operations and expansion.**

The land area is both appropriate and adequate for the anticipated use of the subject property. As has been described, when combined with similarly designated property immediately abutting to the east, the requested PR-MU and CCT-1 designations on the 0.80 acre subject area will permit the Tampa Bay Innovation Center (TBIC) to construct a not-less-than 40,000 sq. ft. office building (in accordance with a long-term land lease and development agreement with the City).

- f. **The amount and availability of vacant land or land suitable for redevelopment shown for similar uses in the City or in contiguous areas.**

There are approximately 36 acres of vacant land in the City designated with CCT-1 zoning.

- g. **Whether the proposed change is consistent with the established land use pattern.**

The proposed Planned Redevelopment Mixed-Use land use designation is consistent with the established land use pattern to the northeast, east and southeast.

- h. **Whether the existing district boundaries are logically drawn in relation to existing conditions on the property proposed for change.**

The existing NSM-1 zoning district boundaries are not illogically drawn in relation to existing conditions.

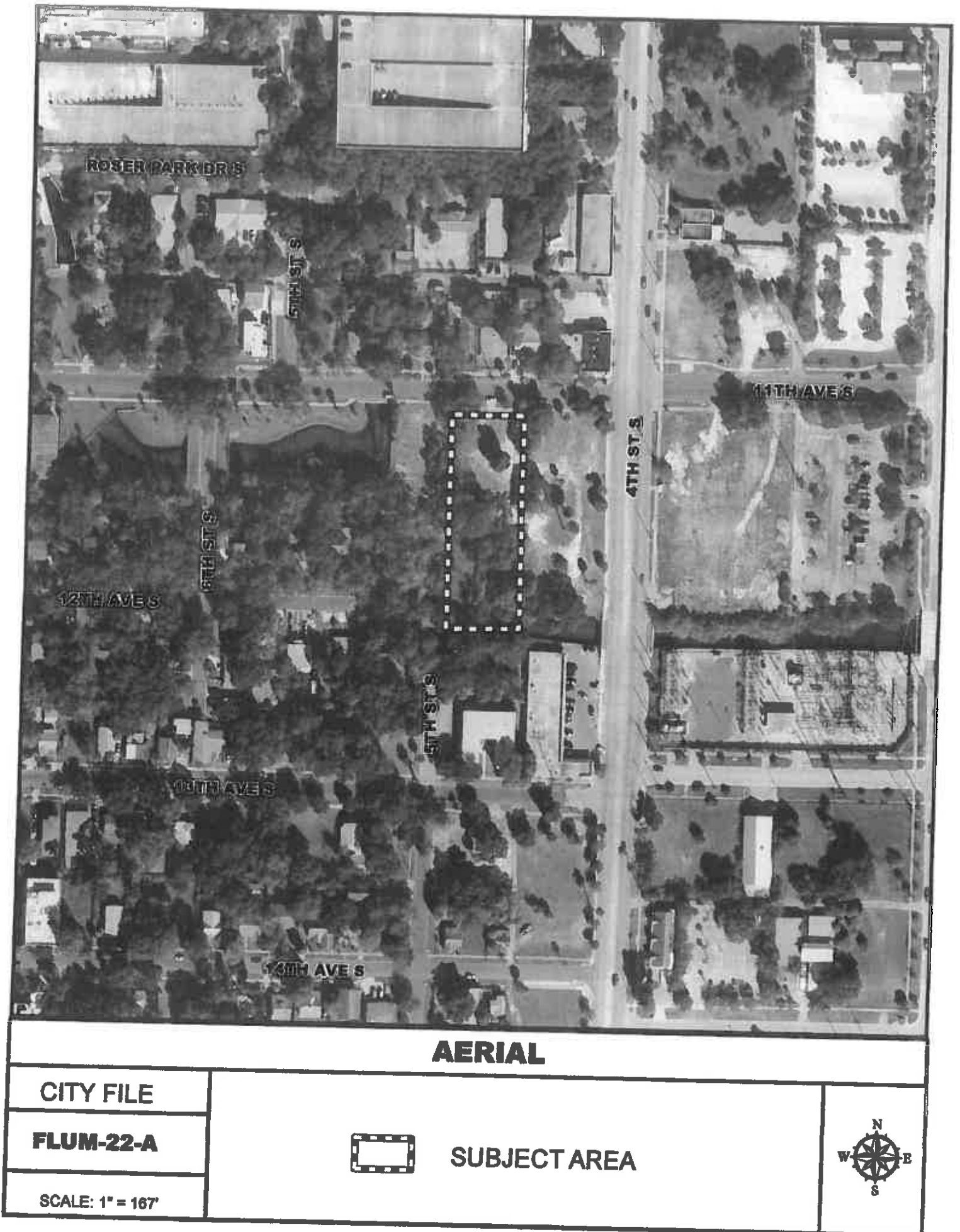
- i. **If the proposed amendment involves a change from a residential to a nonresidential use, whether more nonresidential land is needed in the proposed location to provide services or employment to the residents of the City.**

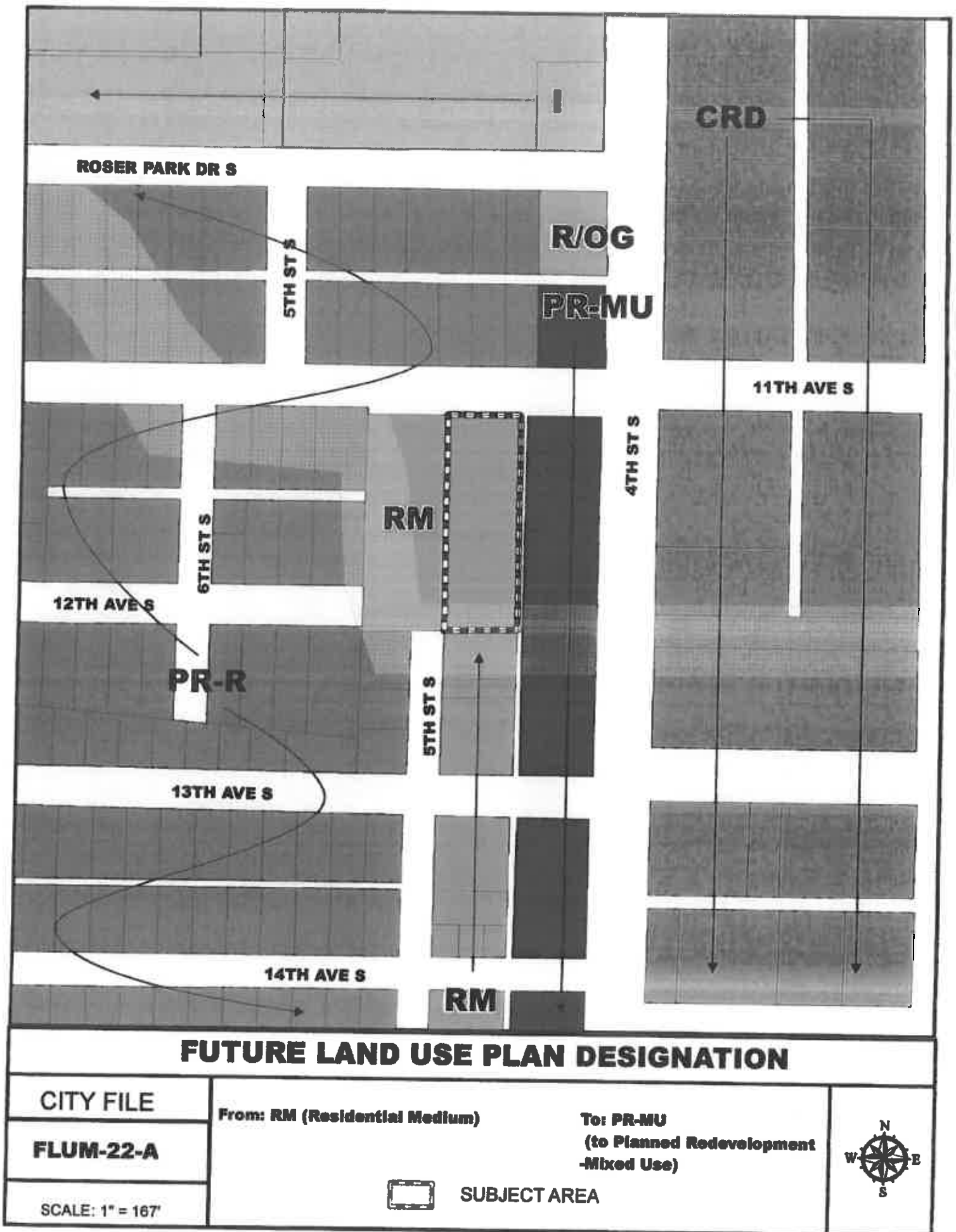
The proposed CCT-1 will still allow for a mix of uses, including multifamily residential. The purpose of the amendment is to allow the construction of an office building that is at least 40,000 sq. ft. in size and create 100 or more new jobs through the growth and development of client start-ups, an anchor tenant, and TBIC staffing needs following completion of the building.

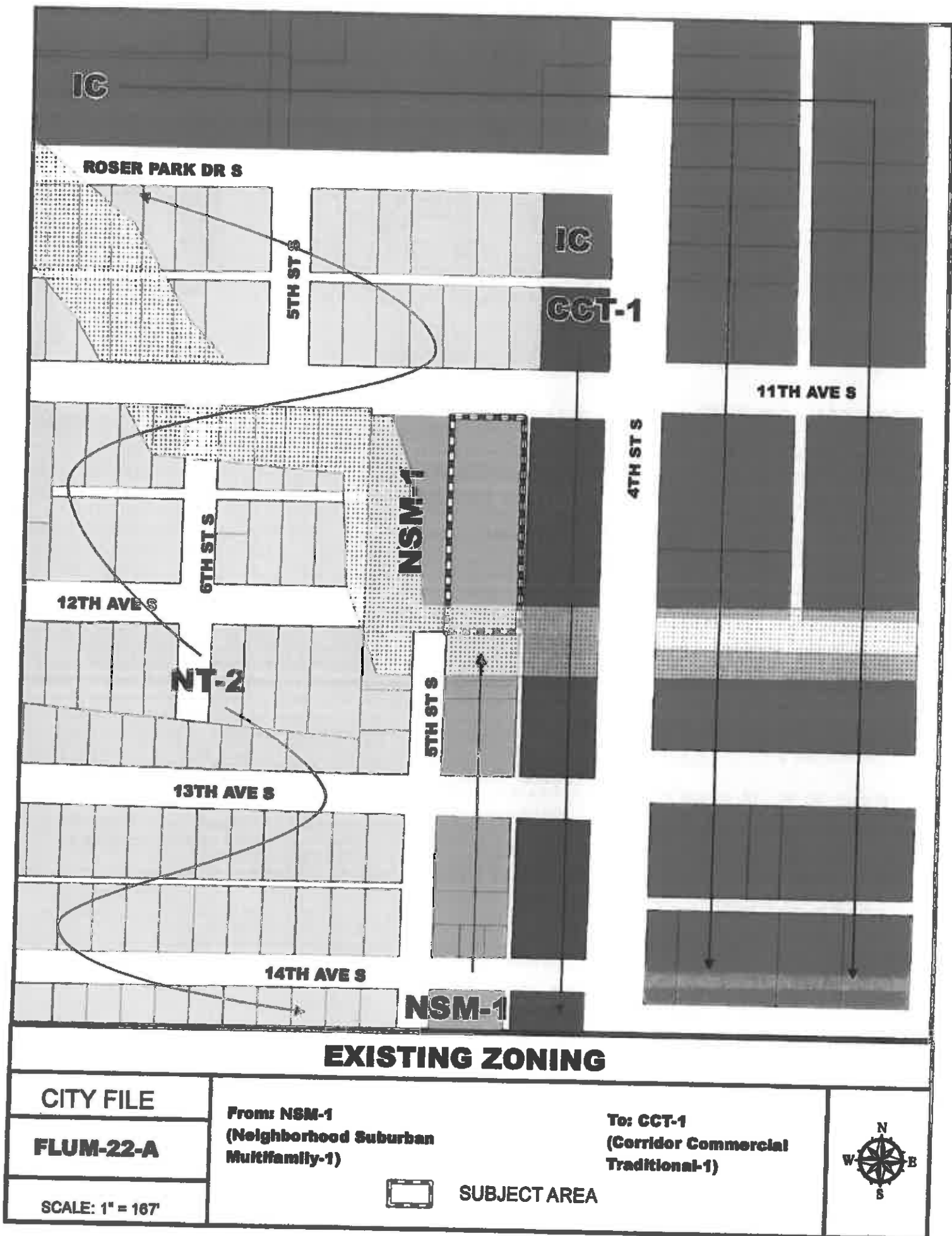
- j. **Whether the subject property is located within the 100-year flood plain or Coastal High Hazard Area as identified in the Coastal Management Element of the Comprehensive Plan.**

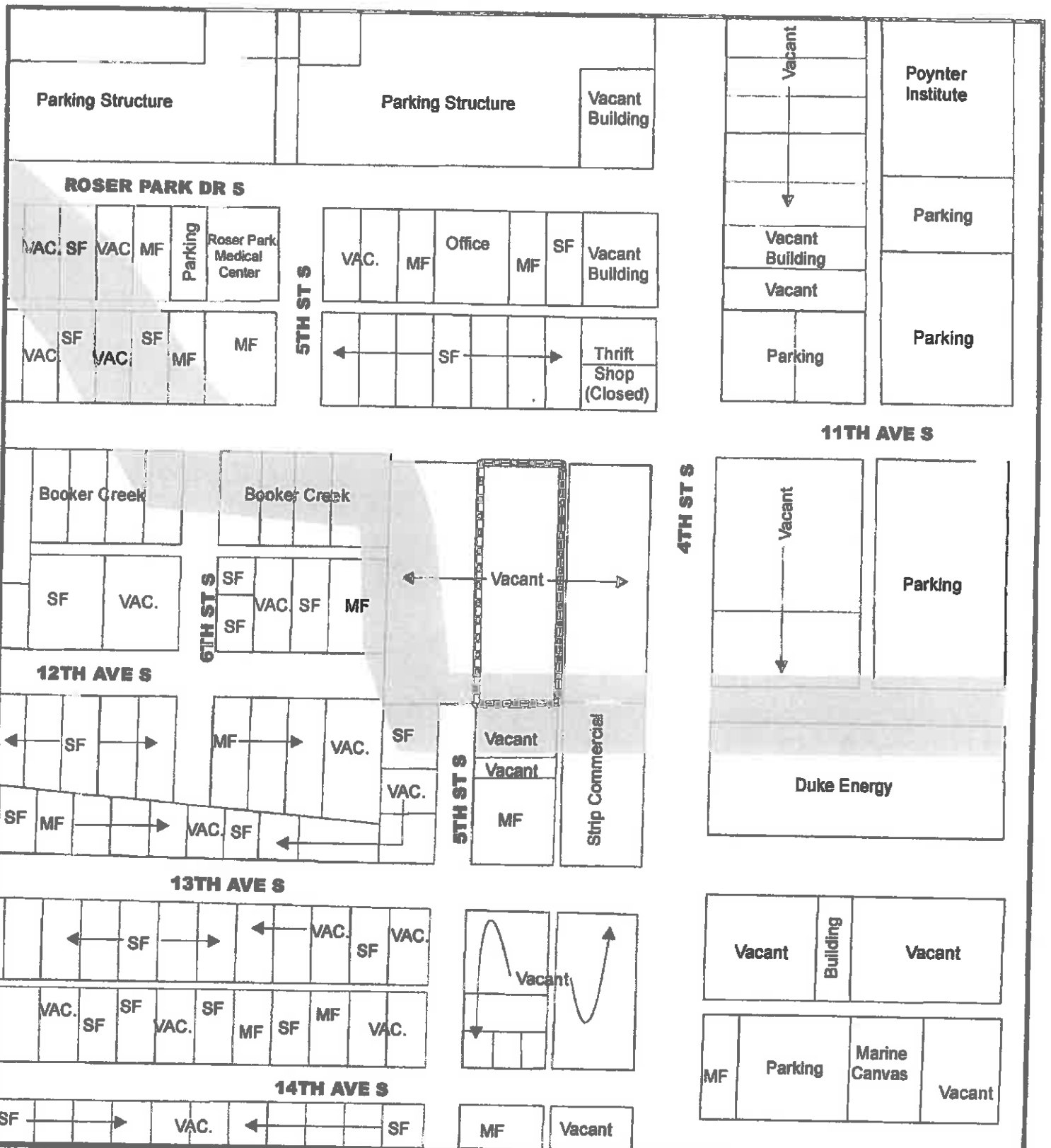
According to the FEMA Flood Insurance Rate Map (FIRM), the subject property is located in Flood Zone "AE" with a base flood elevation of eight (8) feet. The property is not located within the CHHA (Coastal High Hazard Area).

- k. **Other pertinent information.** None.









EXISTING SURROUNDING USES

CITY FILE

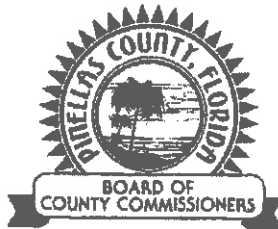
FLUM-22-A

SCALE: 1" = 167'



SUBJECT AREA





BOARD OF COUNTY COMMISSIONERS

DATE: January 13, 2015

AGENDA ITEM NO. /

Consent Agenda ☐

Regular Agenda ☐

Public Hearing ☐

County Administrator's Signature:

Subject:

Proposed Subthreshold Amendment to the Countywide Plan Map

Department:

Planning

Staff Member Responsible:

Gordon Beardslee, Director

Recommended Action:

I RECOMMEND THE BOARD OF COUNTY COMMISSIONERS, SITTING AS THE COUNTYWIDE PLANNING AUTHORITY (CPA), CONDUCT A PUBLIC HEARING AND APPROVE CASE CW 14-25, CITY OF ST. PETERSBURG.

Summary Explanation/Background:

Planning Department staff recommends approval of this proposed amendment as outlined by the Pinellas Planning Council (PPC).

Fiscal Impact/Cost/Revenue Summary:

N/A

Exhibits/Attachments Attached:

PPC memorandum and attachments



COUNCIL MEMBERS

310 Court Street, Clearwater, FL 33756-5137
Telephone 727-464-8250 ~ Fax 727-464-8212
www.pinellasplanningcouncil.org

Commissioner Karen Williams Seel, *Chair*
Mayor David O. Archie, *Vice-Chair*
Commissioner Harriet K. Crozier, *Secretary*
Commissioner John Morroni, *Treasurer*
Mayor Sandra Bradbury
Commissioner Julie Ward Bujalski
Mayor Dave Eggers
Vice-Mayor Doreen Hock-DiPolito
Councilmember Jim Kennedy
Commissioner Joanne "Cookie" Kennedy
Councilmember Wengay M. Newton, Sr.
Commissioner Kevin Piccarreto
Commissioner Kenneth T. Welch

TO: The Honorable Chair and Members
of the Board of County Commissioners,
In Your Capacity as the Countywide Planning Authority

THROUGH: Mark S. Woodard, County Administrator

FROM: Michael C. Crawford, Interim Executive Director
Pinellas Planning Council

DATE: January 13, 2015

Michael C. Crawford, AICP
Interim Executive Director

SUBJECT: Proposed Subthreshold Amendment to the Countywide Plan Map

Recommendation:

THE PINELLAS PLANNING COUNCIL RECOMMENDS THE BOARD OF COUNTY COMMISSIONERS (BOARD), IN YOUR CAPACITY AS THE COUNTYWIDE PLANNING AUTHORITY, CONDUCT A PUBLIC HEARING AND APPROVE CASE CW 14-25 AS SUBMITTED BY THE CITY OF ST. PETERSBURG.

Summary Explanation/Background:

The Countywide Planning Authority has received one case concerning a subthreshold amendment to the Countywide Future Land Use Plan that was reviewed by the Pinellas Planning Council on December 10, 2014.

Case CW 14-25 – City of St. Petersburg:

0.8 acres more or less, located on the southwest corner of 11th Ave. S. and 4th St. S., approximately 120 feet west of the intersection; proposed to change from Residential Medium to Planned Redevelopment – Mixed Use.

The City proposes to combine this property with property to the east already designated as Planned Redevelopment – Mixed Use for the development of a Tampa Bay Innovation Center office building.

The PPC, by a vote of 11-0, recommended approval of Case CW 14-25.

Fiscal Impact/Cost/Revenue Summary:

None

Exhibits/Attachments:

Proposed Ordinance
Council Documentation

PUBLIC HEARING ITEM

Case CW 14-25

City of St. Petersburg

ORDINANCE NO. 14-_____

AN ORDINANCE AMENDING THE COUNTYWIDE FUTURE LAND USE PLAN OF PINELLAS COUNTY, FLORIDA, BY ACTION ON CASE NUMBER CW 14-25 INITIATED BY THE CITY OF ST. PETERSBURG AND TRANSMITTED TO THE BOARD IN ACCORDANCE WITH THE SPECIAL ACT; PROVIDING FOR AMENDMENT TO THE PLAN; PROVIDING FOR SEVERABILITY; PROVIDING FOR FILING OF THE ORDINANCE; PROVIDING FOR OTHER MODIFICATIONS THAT MAY ARISE FROM REVIEW OF THE ORDINANCE AT THE PUBLIC HEARINGS AND WITH RESPONSIBLE AUTHORITIES; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, a proposed amendment to the Countywide Future Land Use Plan, which is an element of the Countywide Comprehensive Plan of Pinellas County, Florida, has been presented at a public hearing to the Board of County Commissioners in their capacity as the Countywide Planning Authority; and

WHEREAS, notices of public hearings have been accomplished as required by Chapter 2012-245, Laws of Florida, as amended; and

WHEREAS, procedures of the Special Act and County Charter have been followed concerning the Pinellas Planning Council and the Countywide Planning Authority for proposed amendment to the Countywide Future Land Use Plan; and

WHEREAS, the City of St. Petersburg initiated a proposed amendment which was considered at a public hearing by the Pinellas Planning Council on December 10, 2014, with recommendations made by the Council that are documented in the Council reports referred to as Exhibit A; and

WHEREAS, the Board has conducted a public hearing and taken action that is documented by ordinance for approvals or partial approvals and partial denials and by resolution for denials, with both documents including the relevant Council reports as attached.

NOW, THEREFORE, BE IT ORDAINED by the Board of County Commissioners of Pinellas County, Florida, acting as the Countywide Planning Authority in regular meeting duly assembled on January 13, 2015, as follows:

Section 1. Amending the Countywide Future Land Use Plan

The Countywide Future Land Use Plan for Pinellas County adopted in Section 3(a) of Ordinance 89-4, as amended, is amended to reflect the changes adopted as follows:

#CW 14-25 0.8 acres m.o.l., located in an area generally located on the southwest corner of 11th Ave. S. and 4th St. S., approximately 120 feet west of the intersection, from Residential Medium to Planned Redevelopment – Mixed Use

Section 2. Severability. If any Section, Subsection, sentence, clause, phrase, or provision of this Ordinance is for any reason held invalid or unconstitutional by a Court of Competent Jurisdiction, such holding shall not be construed to render the remaining provisions of this Ordinance invalid or unconstitutional.

Section 3. Filing of Ordinance; Effective Date. A certified copy of this ordinance shall be filed with the Secretary of State with the Ordinance and Exhibit A to be filed with the Clerk of the Circuit Court. This Ordinance shall take effect upon filing with the Department of State.

APPROVED AS TO FORM
OFFICE OF COUNTY ATTORNEY

By 
Attorney

**PINELLAS PLANNING COUNCIL
AGENDA MEMORANDUM**

AGENDA ITEM: III B-1.

MEETING DATE: December 10, 2014

SUBJECT: Amendment of the Countywide Future Lane Use Plan Map

FROM: Residential Medium (RM)

TO: Planned Redevelopment – Mixed Use (PR-MU)

AREA: 0.8 Acres m.o.l.

CASE #: CW 14-25

JURISDICTION: City of St. Petersburg

LOCATION: An area generally located on the southwest corner of 11th Ave. S. and 4th St. S., approximately 120 feet west of the intersection.

RECOMMENDATION:

Council recommend to the Countywide Planning Authority that the proposed map amendment to Planned Redevelopment – Mixed Use be approved.

I. BACKGROUND

This proposed amendment is submitted by the City of St. Petersburg and seeks to reclassify a 0.8 acre portion of parcel from Residential Medium to Planned Redevelopment – Mixed Use. This amendment qualifies as a Type A Subthreshold amendment, since it is less than one acre in size.

The subject site is vacant. The owner of the property, the City of St. Petersburg, proposes to combine this property with property to the east already designated as Planned Redevelopment – Mixed Use for the development of a Tampa Bay Innovation Center office building.

II. FINDINGS

Staff submits the following findings in support of the recommendation for approval:

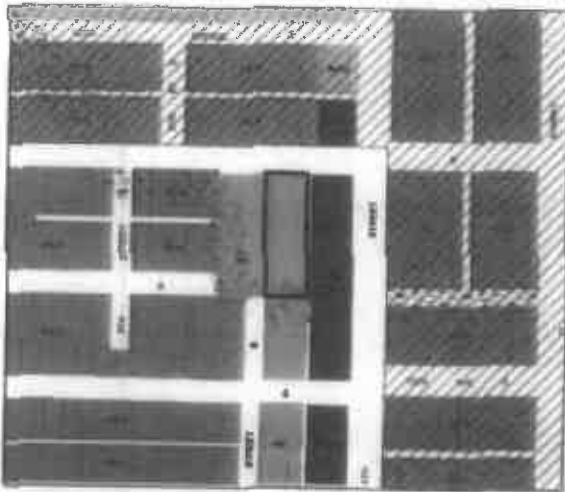
- A. The proposed amendment qualifies as a subthreshold amendment (Type A); and
- B. The proposed amendment to Planned Redevelopment – Mixed Use recognizes the proposed use for the site and is consistent with the criteria for utilization of this category.

PINELLAS PLANNING COUNCIL ACTION:

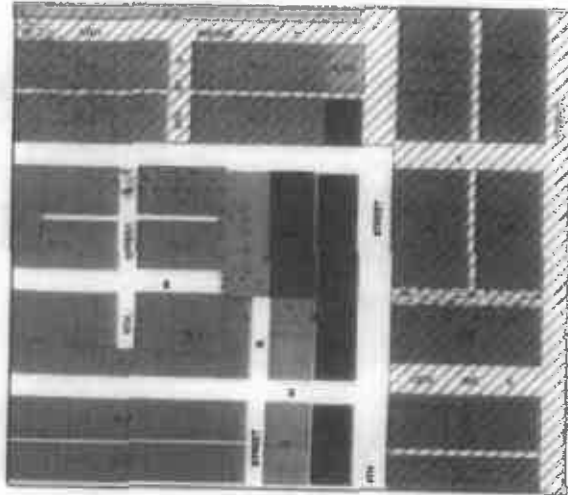
The Council recommended approval of the amendment from Residential Medium to Planned Redevelopment – Mixed Use (vote 11-0).

COUNTYWIDE PLANNING AUTHORITY ACTION:

Map 1 – Current Future Land Use



Map 2 – Proposed Future Land Use



Please see accompanying attachments and documents in explanation and support of the findings.

The Council and Countywide Planning Authority (CPA) may, upon a majority vote of members present and constituting a quorum, remove a subthreshold amendment from the subthreshold portion of the agenda for separate consideration, in which event the amendment may be discussed and acted upon at that same meeting or continued to the next available meeting with an analysis of any issues identified by the Council or CPA.

III. PLANNERS ADVISORY COMMITTEE (PAC)

At their December 1, 2014 meeting, the PAC members discussed and recommended approval of the staff recommendation (vote 13-0).

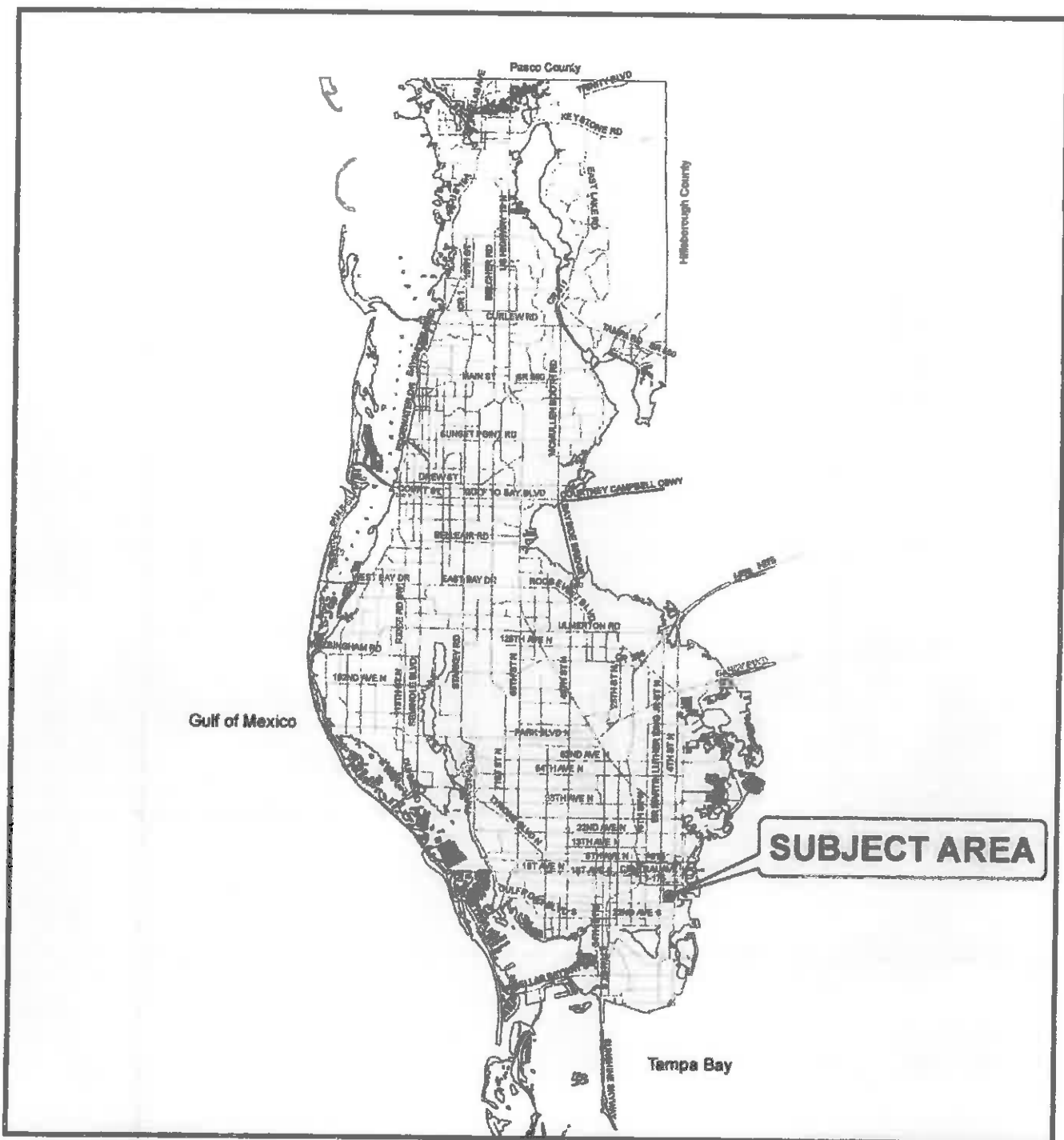
IV. LIST OF MAPS & ATTACHMENTS

- Map 1 Current Countywide Plan Map
- Map 2 Proposed Countywide Plan Map
- Map 3 Location
- Map 4 Current Countywide Plan & Jurisdiction Map
- Map 5 Aerial

Attachment 1 Draft PAC Summary Actions Sheet

V. SUPPORT DOCUMENTS – available only at www.pinellasplanningcouncil.org (see December Agenda and then click on corresponding case number).

- Support Document 1 Disclosure of Interest Form
- Support Document 2 Local Government Application



Map 3 - Location

FROM: Residential Medium

TO: Planned Redevelopment - Mixed Use

AREA: 0.8 Acres

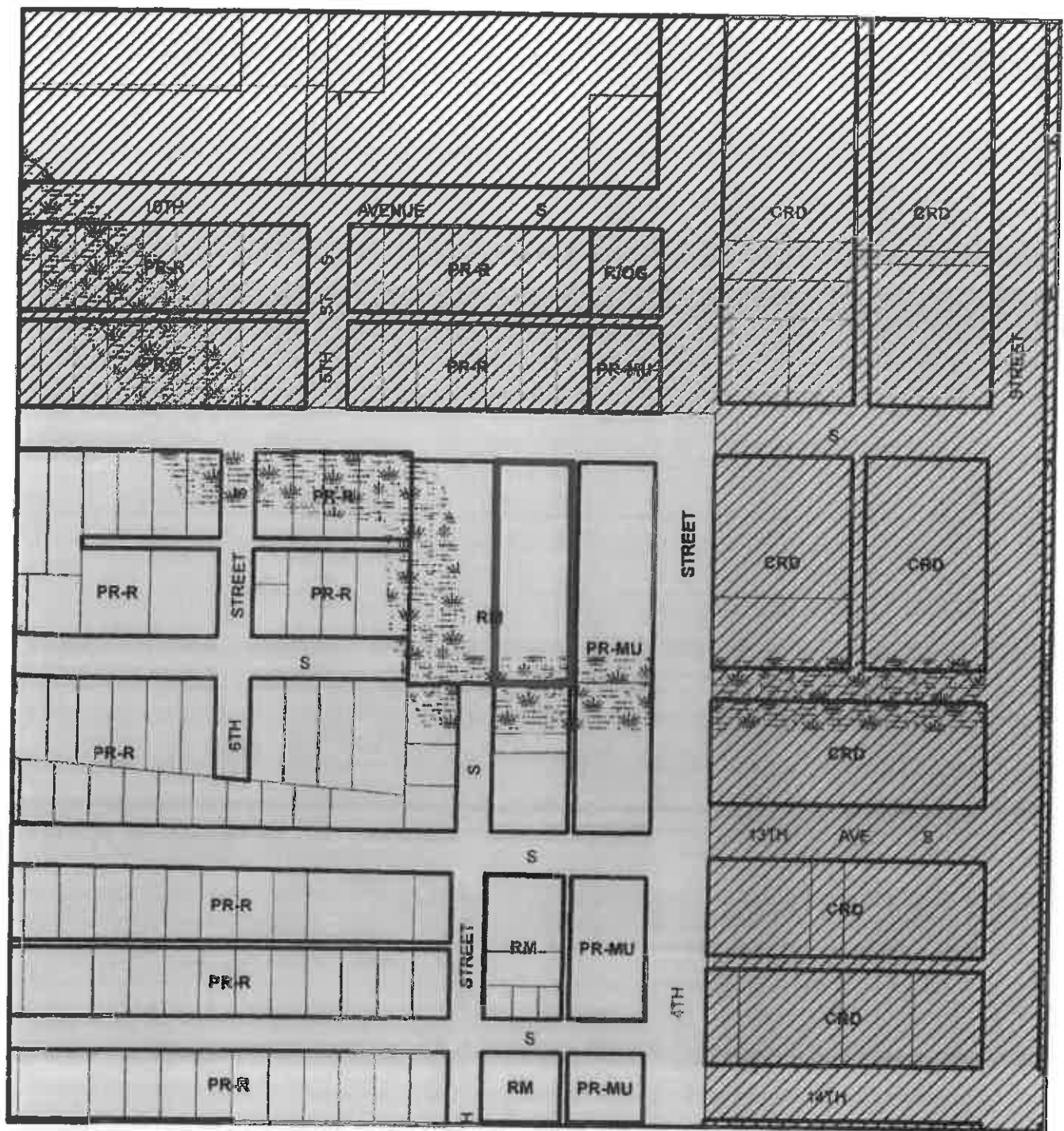
CASE #: CW14-25

JURISDICTION: St. Petersburg



1" = 26,000'





Map 4 - Current Countywide Plan Map & Jurisdictional Map

FROM: Residential Medium

TO: Planned Redevelopment - Mixed Use

AREA: 0.8 Acres

CASE #: CW14-25

Jurisdictions

Municipality Name

St Petersburg

JURISDICTION: St. Petersburg





Map 5 - Aerial

FROM: Residential Medium

TO: Planned Redevelopment - Mixed Use

AREA: 0.8 Acres

CASE #: CW14-25

JURISDICTION: St. Petersburg



PAC AGENDA – SUMMARY AGENDA ACTION SHEET
DATE: DECEMBER 1, 2014

Attachment 1

ITEM	ACTION TAKEN	VOTE
I. <u>MINUTES OF REGULAR PAC MEETING OF NOVEMBER 3, 2014</u>	<u>Approved</u> Motion: Dean Neal Second: Bob Klute	13-0
II. <u>REVIEW OF PPC AGENDA FOR DECEMBER 10, 2014 MEETING</u> A. <u>Subthreshold Land Use Plan Amendments</u> 1. Case CW 14-25 – City of St. Petersburg	<u>Approved</u> Motion: Dean Second: Lauren Matzke Plan change from Residential Medium to Plan Redevelopment Mixed Use. Rick MacAulay explained that the amendment is needed to build “Tampa Bay Innovation Center”. Land is being leased to the Tampa Bay Innovation Center and will be owned by the City of St Petersburg at the end of the lease.	13-0
B. <u>Regular Land Use Plan Amendments</u> 2. Case CW 14-26 – City of St. Petersburg	<u>Approved</u> Motion: Dean Second: Bob Klute Plan change from Institutional to Residential Medium. Rick MacAulay explained that the property is owned by the Pinellas County School Board and will be leased to a group called “Starting Right Now”, an agency that will provide housing for homeless teens.	13-0
C. <u>CPA Actions – November 2014</u>	<u>No Action – Information Only</u>	
D. <u>Annexation Report – November 2014</u>	<u>No Action – Information Only</u>	
E. <u>Countywide Plan Update</u> 1. Countywide Plan Strategic Preliminary Draft Amendments 2. Countywide Rules – Preliminary Draft Amendments 3. Countywide Plan Map – Preliminary Draft Amendments	<u>No Action – Information Only</u> Linda Fisher discussed the progress on the Countywide Plan Update, including changes in response to local government comments and due to the failed funding referendum for Green Light Pinellas.	

**DISCLOSURE OF INTEREST STATEMENT
PPC COUNTYWIDE MAP AMENDMENT**

SUBMITTING GOVERNMENT ENTITY: City of St Petersburg

PPC * & CITY/TOWN CASE NUMBER: City File: FLUM-22-A

PROPERTY OWNERS/REPRESENTATIVE:

Owner: City of St. Petersburg
Attention: Real Estate & Property Management
P.O. Box 2842
St. Petersburg, FL 33731

Representative Name: N/A

ANY OTHER PERSONS HAVING ANY OWNERSHIP INTEREST IN THE SUBJECT PROPERTY:

Interests: ☐ Contingent ☐ Absolute

Name: N/A

Specific Interest Held:

INDICATION AS TO WHETHER A CONTRACT EXISTS FOR SALE OF SUBJECT PROPERTY, IF SO:

Contract is: ☐ Contingent ☐ Absolute

All Parties to Contract: N/A

Name:

INDICATION AS TO WHETHER THERE ARE ANY OPTIONS TO PURCHASE SUBJECT PROPERTY, IF SO:

All Parties to Option: N/A

Name:

ANY OTHER PERTINENT INFORMATION WHICH APPLICANT MAY WISH TO SUBMIT PERTAINING TO REQUESTED PLAN AMENDMENT:

*** NUMBER TO BE ASSIGNED BY PLANNING COUNCIL STAFF**

APPLICATION FOR COUNTYWIDE FUTURE LAND USE PLAN AMENDMENT

Please include all information below to ensure the application for Countywide Plan Map amendment can be processed. If additional space is needed, please number and attach additional sheets.

Countywide Plan Map Information

1. Current Countywide FLUP Designation(s) Residential Medium
2. Proposed Countywide FLUP Designation(s) Planned Redevelopment – Mixed Use

Local Plan Map Information

1. Local Map Amendment Case Number FLUM-22-A
2. Current Local Plan Designation(s) Residential Medium
3. Current Local Zoning Designation(s) NSM-1 (Neighborhood Suburban Multifamily)
4. Proposed Local Plan Designation(s) Planned Redevelopment-Mixed Use
5. Proposed Local Zoning Designation(s) CCT-1 (Corridor Commercial Traditional)

Site and Parcel Information

1. Parcel number(s) of area(s) proposed to be amended Portion of 30-31-17-77418-000-0010
2. Location
and 4th Street South Generally, the southwest corner of 11th Avenue South
3. Acreage 0.80 acres
4. Existing use(s) Vacant
5. Existing density and/or floor area ratio N/A
6. Name of project (if applicable) Tampa Bay Innovation Center

Local Action

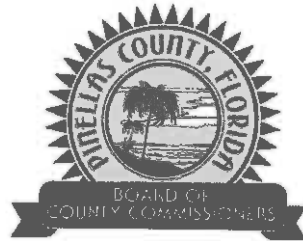
1. Date local ordinance was considered at public hearing and authorized by an affirmative vote of the governing body for transmittal of, and concurrence with, the local government future land use plan map amendment. November 24, 2014
2. If the local government chooses to submit a development agreement in support of this application, the date the agreement was approved at public hearing by the legislative body. Any development agreement submitted as part of an application for Countywide Plan Map amendment may become a condition of approval of the amendment and will be subject to the provisions of Section 5.1.4 of the Countywide Rules. N/A

Other Items to Include

1. Cover letter or email to the Executive Director indicating the request for Countywide Plan Map amendment, including ordinance number, ordinance status, and local action to date.
2. Copy of local ordinance.
3. If applicable, a copy of the development agreement approved by the legislative body and executed by the applicant property owner and other private party(ies) to the agreement.
4. Disclosure of Interest Statement.
5. Staff report.
6. Local plan and zoning maps showing amendment area.
7. If applicable, proposed demarcation line for environmentally sensitive areas.

Pinellas County

*315 Court Street, 5th Floor Assembly Room
Clearwater, Florida 33756*



Minutes - Final

Tuesday, April 25, 2017

2:00 PM

BCC Assembly Room

Board of County Commissioners

*Janet C. Long, Chairman
Kenneth T. Welch, Vice-Chairman
Dave Eggers
Pat Gerard
Charlie Justice
John Morroni
Karen Williams Seel*

ROLL CALL - 2:03 P.M.

Present: 6 - Chairman Janet C. Long, Vice-Chairman Kenneth T. Welch, Dave Eggers, Pat Gerard, John Morroni, and Karen Williams Seel

Absent: 1 - Charlie Justice

Others Present: James L. Bennett, County Attorney; Mark S. Woodard, County Administrator; Clarethia N. Harris, Chief Deputy Clerk; and Lynn Abbott and Christopher Bartlett, Board Reporters, Deputy Clerks.

INVOCATION - Reverend Clarence Williams with Greater Mt. Zion A.M.E. Church in St. Petersburg**PLEDGE OF ALLEGIANCE****PRESENTATIONS AND AWARDS****1. Doing Things! Employee Recognition - Yuan-Chen Kung, Human Services.**

Chairman Long and Mr. Woodard recognized Human Services Case Manager Yuan-Chen Kung, relating that she is an 11-year employee who facilitates health care for those in need, processes records requests for the homeless with the Mobile Medical Unit, and works at the Homeless Leadership Board on their annual point-in-time survey, noting that she is well known for delivering first-class service and her passion on behalf of her clients; whereupon, a video was shown highlighting the services she provides.

2. Age Friendly Community Presentation.

Mr. Woodard discussed Pinellas County's Age Friendly Community initiative and provided background information on the Commission's partnership with the American Association of Retired Persons, AARP. Chairman Long discussed the Board's objectives to improve the lives of its aging citizens. She related that Pinellas County is honored to be designated as an Age Friendly Community and recognized the presenting partners; whereupon, Jeff Johnson, State Director, AARP Florida, presented a certificate to Chairman Long and thanked the Board and Mr. Woodard for their commitment to the program.

3. Partner Presentation:

U.S. Coast Guard Air Station Clearwater - Capt. Edward W. Sandlin, Commanding Officer.

Item deferred.

CONSENT AGENDA - Items 4 through 27 (Items 17, 21, and 22 addressed under Regular Agenda)

A motion was made by Commissioner Morroni, seconded by Commissioner Gerard, that the Consent Agenda items be approved. The motion carried by the following vote:

Aye: 5 - Chairman Long, Commissioner Eggers, Commissioner Gerard, Commissioner Morroni, and Commissioner Seel

Absent: 2 - Vice-Chairman Welch, and Commissioner Justice

CLERK OF THE CIRCUIT COURT AND COMPTROLLER

4. Minutes of the regular meeting held March 21, 2017.
5. Vouchers and bills paid from March 5 through March 18, 2017.

Period: March 5 through March 11, 2017

Payroll - \$3,307,004.67

Accounts Payable - \$12,740,580.22

Period: March 12 through March 18, 2017

Payroll - None

Accounts Payable - \$21,295,612.40

Reports received for filing:

6. City of Dunedin Community Redevelopment Agency Annual Report for Fiscal Year (FY) 2015-2016.
7. City of Largo Community Redevelopment Agency Annual Report for FY 2015-2016.
8. Division of Inspector General, Clerk of the Circuit Court and Comptroller, Annual Report for the year ending December 31, 2016.
9. Palm Harbor Community Services Agency, Inc. Financial Statements for FY ended September 30, 2016, with Independent Auditor's Report thereon.
10. Dock Fee Report for the month of March 2017.
11. Quarterly Report of Routine Dock and Dredge/Fill Permits issued from January 1 to March 31, 2017.

Miscellaneous items received for filing:

12. City of Clearwater Ordinance No. 8997-17 adopted March 2, 2017, annexing certain property.
13. City of Safety Harbor Ordinance No. 2017-10 adopted April 3, 2017, annexing certain property.
14. City of Tarpon Springs Ordinance No. 2016-15 adopted March 21, 2017, annexing certain property.

COUNTY ADMINISTRATOR DEPARTMENTS

Animal Services

15. Revised License and Rabies Vaccination Certificate.

County Administrator

16. Receipt and file report of purchasing items delegated to the County Administrator for the quarter ending March 31, 2017.

Economic Development

18. Submission of an Application for Federal Assistance to the U.S. Economic Development Administration for the Tampa Bay Innovation Center Incubator.
19. Authority to advertise a public hearing to be held on June 20, 2017 regarding a proposed ordinance approving an exemption from certain ad valorem taxation for Power Design, Inc. pursuant to the County's economic development ad valorem taxation program.

Public Works

20. Ranking of firms and agreement with Atkins North America, Inc. for professional engineering, planning, and environmental services for the Anclote River Watershed Management Plan.
Ranking of firms and Contract No. 167-0002-NC approved in the amount of \$883,760.00 (includes basic and contingency services not to exceed \$808,760.00 and \$75,000.00, respectively); term is 36 consecutive calendar months from the notice to proceed date. Chairman authorized to sign the agreement and the Clerk to attest.
23. Local Agency Program agreement with the Florida Department of Transportation for the CR 752/Tampa Road median modification project.
Resolution No. 17-21 adopted approving the agreement (FDOT Financial Project No. 439458 1 58 01; County PID No. 003127A) for grant funding in the amount of

Large-scale business incubator will rise in downtown St. Petersburg as beacon for startups

By *Robert Trigaux*



Hayes Cumming

The startup incubator planned for downtown St. Petersburg would encompass at least 40,000 square feet, with an additional 10,000 square feet set aside for an anchor business tenant, at a cost of about \$127million. Funding would come from federal and state dollars.

A plan to build a major business incubator in downtown St. Petersburg — one big enough to catch the attention of entrepreneurs across Tampa Bay and beyond — has won key initial backing of the city and Pinellas County.

The incubator would encompass at least 40,000 square feet, with an additional 10,000 square feet set aside for an anchor business tenant, at a cost of about \$12 million. Funding would come from federal and state dollars.

"This is significantly larger than most incubators — by intention," said Pinellas economic development director Mike Meidel. "We want it to be unique and a true asset to the county and all of Tampa Bay."

Can St. Pete's young startup community sustain such a muscular facility?

Yes, says a confident Tonya Elmore, whose Tampa Bay Innovation Center effort ran the Star Center incubator in Largo for years and now operates the modest-sized TEC Garage incubator space inside St. Petersburg College's downtown building.

"We already must turn away startups at the TEC Garage," Elmore says.

Three players are behind the new incubator.

The facility will be run by Elmore's Tampa Bay Innovation Center. The city will provide the land for the incubator, to be located at the southwest corner of 11th Avenue S and Fourth Street.

And Pinellas County would own and help develop and maintain the incubator. The Tampa Bay Innovation Center recently won a memorandum of understanding with Pinellas County to facilitate the next phase of the project, including tenant recruitment and fundraising.

Meidel says proceeds from the expected county sale of the old Star Center will assist in funding the new downtown incubator. Federal grants will be sought via the U.S. Economic Development Administration, while state funds will be pursued via a bill to be introduced in the Legislature.

Meidel and Elmore expect to pursue private sponsorships. And recruiting a strong anchor tenant — one that can add its own marketing punch and expertise to help incubator startups and that can pay market rates on its lease — will also help move the incubator closer to becoming self-sustaining over the long haul.

Elmore says the new incubator is at least two years from opening, if the rollout happens as planned.

The as-yet-unnamed incubator is expected to house some technology startups. Beyond that, a choice will likely have to be made. The incubator may support life sciences and marine sciences startups. Or, more likely to Meidel, it may support advanced manufacturing sectors, including medical device startups and rapid prototyping businesses.

Meidel says incubators are "hot" commodities across the country. "The nice thing is this is pretty unique. The size and scope of this project will get their attention."

A cornerstone incubator would also reinforce what economic developers hope is a lasting trend. Young tech companies, and their younger workforce, clearly like the downtown buzz.

Contact Robert Trigaux at rtrigaux@tampabay.com. Follow [@venturetampabay](https://twitter.com/venturetampabay).

Pinellas County

*315 Court Street
Clearwater, Florida 33756*



Minutes - Final

Tuesday, July 17, 2018

2:00 PM

Public Hearings at 6:00 PM

BCC Assembly Room

Board of County Commissioners

***Kenneth T. Welch, Chairman
Karen Williams Seel, Vice-Chairman
Jay J. Beyrouti
Dave Eggers
Pat Gerard
Charlie Justice
Janet C. Long***

ROLL CALL - 2:17 P.M.

Present: 7 - Chairman Kenneth T. Welch, Vice-Chairman Karen Williams Seel, Jay J. Beyrouti, Dave Eggers, Pat Gerard, Charlie Justice, and Janet C. Long

Others Present: Jewel White, County Attorney; Mark S. Woodard, County Administrator; Ken Burke, Clerk of the Circuit Court and Comptroller; and Chris Bartlett, Board Reporter, Deputy Clerk

INVOCATION by Pam Dubov, Minister of Outreach and Missions, St. Paul United Methodist Church, Largo.

PLEDGE OF ALLEGIANCE**PRESENTATIONS AND AWARDS**

1. National Recreation and Parks Month Proclamation:
 - Paul Cozzie, Director, Parks and Conservation Resources
 - Matthew Eberius, Chairman, Parks and Conservation Resources Advisory BoardChairman Welch read a proclamation recognizing July 2018 as National Recreation and Parks Month, and Messrs. Cozzi and Eberius provided brief comments.
2. Doing Things! Employee Recognition Award:
 - Kathy Barile, Chief Park Ranger, Parks and Conservation ResourcesChairman Welch and Mr. Woodard recognized Ms. Barile for her work as Chief Park Ranger, and a video was shown highlighting the services she provides.
3. Government Finance Officers Association of the United States and Canada Distinguished Budget Presentation Award:
 - Bill Berger, Director, Office of Management & BudgetChairman Welch and Mr. Woodard presented Mr. Berger and the Office of Management and Budget staff with the Distinguished Budget Presentation Award for the development of the 2018 fiscal year budget, noting the extensive qualification criteria.

Mark Woodard, County Administrator, 30-Year Service Award

Chairman Welch presented Mr. Woodard with a 30-year pin in recognition of his service to Pinellas County, noting that he began as a Senior Financial Management Analyst and held several leadership positions prior to his appointment as County Administrator in 2014.

4. Partner Presentation:

- John Thomas, Board President, Florida Botanical Gardens Foundation
- Vernon Bryant, Executive Director, Florida Botanical Gardens Foundation

Referring to a PowerPoint presentation which has been made a part of the record, Mr. Bryant discussed the Foundation's partnership with the Parks and Conservation Resources Department, noting how the organizations work together with respect to the physical gardens, special events, public education, marketing and public relations, and fundraising activities. He reviewed various funding sources, including memberships, sponsorships, and events, and Mr. Thomas provided an overview of how the funds are spent, highlighting major projects and events.

Mr. Thomas related that the Foundation is working with Parks and Conservation Services staff and a nationally recognized landscape architect to create a Master Plan to revitalize the Gardens to improve the visitor experience; whereupon, he discussed future events and fundraising opportunities, noting plans to collaborate with various other organizations.

CONSENT AGENDA - Items 5 through 22 (Items 15, 18, and 19 addressed under Regular Agenda)

A motion was made by Commissioner Long, seconded by Commissioner Gerard, that the Consent Agenda items be approved. The motion carried by the following vote:

Aye: 7 - Chairman Welch, Vice-Chairman Seel, Commissioner Eggers, Commissioner Gerard, Commissioner Justice, Commissioner Long, and Commissioner Beyrouti

CLERK OF THE CIRCUIT COURT AND COMPTROLLER

- 5. Minutes of the regular meetings held June 5 and June 19, 2018.**
- 6. Vouchers and bills paid from May 20 through June 30, 2018.**

Period: May 20 through May 26, 2018

Accounts Payable - \$17,370,639.41

Payroll - None

Period: May 27 through June 2, 2018

Accounts Payable - \$23,873,262.36

Payroll - \$3,473,356.75

Period: June 3 through June 9, 2018

Accounts Payable - \$36,525,552.78

Payroll - None

Period: June 10 through June 16, 2018

Accounts Payable - \$20,974,673.66

Payroll - \$3,574,281.97

Period: June 17 through June 23, 2018

Accounts Payable - \$7,061,276.65

Payroll - None

Period: June 24 through June 30, 2018

Accounts Payable - \$34,190,540.30

Payroll - \$3,810,965.81

Miscellaneous items received for filing:

7. City of Clearwater Ordinance No. 9152-18 adopted on June 7, 2018, annexing certain properties.
8. City of Dunedin Notice of Public Hearing to be held August 23, 2018, regarding proposed Ordinance No. 18-21 annexing certain property.
9. City of Seminole Ordinances Nos. 10-2018 through 12-2018 adopted May 22, 2018, annexing certain properties.
10. Eastlake Oaks Community Development District Proposed Operating Budget for Fiscal Year 2019, pursuant to Chapter 190.008(2)(b), Florida Statutes.

COUNTY ADMINISTRATOR DEPARTMENTS

County Administrator

11. Receipt and file report of non-procurement items delegated to the County Administrator for the period ending June 30, 2018.
12. Receipt and file report of purchasing items delegated to the County Administrator for the quarter ending June 30, 2018.

Development Review Services

13. Plat of Creekview Estates, private street sign installation guarantee, and sidewalk guarantee for recording.
Plat and guarantees from Gulfwind Contracting, LLC accepted and approved for recording.
14. Plat of Enclave of Palm Harbor.
Plat submitted by Pulte Home Company, LLC accepted and approved for recording.

Public Works

16. Award of bid to Florida Safety Contractors, Inc. for the Pine Street sidewalk upgrade project from Wilcox Road to 134th Avenue North.

Bid No.178-0350-CP (PID No. 001756A) in the amount of \$426,957.00 awarded on the basis of being the lowest responsive, responsible bid received meeting specifications; all work is expected to be completed within 270 consecutive calendar days. Chairman authorized to sign and Clerk to attest.

17. Federal Emergency Management Agency Region IV Hazard Mitigation Grant Program application with the Florida Division of Emergency Management for replacement of span wire supported traffic signals with mast arm traffic signals.

Application submission approved for grant funding in the amount of \$3,906,317.00; County to provide a 35 percent local match in the amount of \$2,093,683.00, for a total project cost of \$6,000,000.00.

Utilities

20. Award of bid to Odyssey Manufacturing Company for requirements of sodium hypochlorite.

Contract No. 178-0270-B in the annual amount of \$975,190.00 (total amount, \$4,875,950.00) awarded on the basis of being the lowest responsive, responsible bid received meeting specifications. Contract is for a five year term and provides for price adjustments at 12-month intervals as set forth in the Staff Report.

COUNTY ATTORNEY

21. Notice of new lawsuit and defense of the same by the County Attorney in the case of Lisa C. Carter v. Pinellas County; Circuit Civil Case No. 18-002600-CI-11 - allegations of discrimination.

AUTHORITIES, BOARDS, CONSTITUTIONAL OFFICERS AND COUNCILS

Sheriff's Office

22. Fiscal Year 2018 Board Budget Amendment No. 1 supplementing the Sheriff's General Fund Budget for increased Florida Retirement System costs.

Amendment approved realigning appropriation in the amount of \$172,270.00 from the General Fund Reserve for Contingencies to the Sheriff's Office cost center.

REGULAR AGENDA**ITEMS FOR DISCUSSION FROM THE CONSENT AGENDA**Economic Development

- 15.** Application for federal assistance to the U.S. Economic Development Administration for the Tampa Bay Innovation Center Incubator.

Application submission approved for grant funding in the amount of \$9,000,000.00 to design and construct a 40,000- to 50,000-square-foot purpose-built, state-of-the-art business incubator facility (total estimated project cost, \$12,000,000.00). Chairman authorized to sign the application and the Clerk to attest.

Referring to Agenda Item No. 35, Commissioner Seel expressed concern that the Board is being asked to approve a response to the Request for Proposal in connection with the project prior to securing the required grant funding; whereupon, Mr. Woodard related that Item No. 15 pertains only to the grant application; that the City of St. Petersburg would contribute the land; that the County has previously sought both state and federal assistance for the project, without success; and that the grant provides a new opportunity utilizing the Hurricane Irma Disaster Fund.

Responding to queries by the members, Director of Economic Development Mike Meidel indicated that the proposal is tied to the specified land site, but there would likely be some flexibility should the land becomes unavailable; that the best alternative would be the Tropicana Field site, but the time parameters to secure federal funds may be prohibitive; and that research has been conducted to identify other sites, but a 40,000- to 50,000-square-foot building would be required to make the project feasible.

At the request of Commissioner Long, Chairman Welch directed that the item be deferred until later in the meeting. Following the discussion and vote on Item No. 35, action was taken on Item No. 15, as follows:

A motion was made by Vice-Chairman Seel, seconded by Commissioner Long, that the item be approved. The motion carried by the following vote:

Aye: 7 - Chairman Welch, Vice-Chairman Seel, Commissioner Beyrouti, Commissioner Eggers, Commissioner Gerard, Commissioner Justice, and Commissioner Long

Purchasing

- 18.** Award of bid to L&T Brothers, Inc. d/b/a Lowes Commercial Painting for exterior and infrastructure painting services.

Contract No. 178-0405-B in the annual amount of \$821,000.00 (total amount, \$4,105,000.00) awarded on the basis of being the only responsive, responsible bid meeting specifications. Contract is for a five-year term and provides for price adjustments at 12-month intervals as set forth in the Staff Report.

FOR THE EXCLUSIVE USE OF SSWANK@PINELLASCOUNTY.ORG

From the Tampa Bay Business Journal:

<https://www.bizjournals.com/tampabay/news/2016/11/29/pinellas-county-st-pete-launch-partnership-to.html>

Pinellas, St. Pete launch partnership to create giant business incubator

Nov 29, 2016, 2:51pm EST Updated: Nov 29, 2016, 3:21pm EST

Pinellas County and the city of St. Petersburg are partnering with the Tampa Bay Innovation Center to create a major new business incubator.

The partnership represents the latest step in a process that began in late 2013 when the Tampa Bay Innovation Center first envisioned the idea of a downtown innovator.

Pinellas County selected the TBIC to facilitate a 40,000- to 50,000-square-foot, mixed-use business incubator near downtown St. Pete to incorporate research and entrepreneurship in technology, life sciences, marine sciences and/or advanced manufacturing.



COURTESY OF THE TAMPA BAY INNOVATION CENTER

"With the right anchor tenant partner this could be a Southeast or even national attractor for entrepreneurial endeavors," said Pinellas County Economic Development Director Mike Meidel. "Our ultimate goal is to create a facility that will generate new companies within the Tampa Bay area that can start here and grow and employ our people."

The next phase of the partnership includes identifying a tenant for the facility and targeting funding. The property located at the corner 11th Avenue and 4th Street South is being provided by St. Pete for an annual lease of just \$1.

The building and startup costs for the facility are expected to cost about \$12 million. The funding plan includes \$4 million from Pinellas County with a \$4 million matching grant from the federal government and \$6 million from the Florida Legislature.

All of that funding is subject to approval and could come incrementally.

"We're in a good position," Meidel said. "I think we've got strong support in the Senate."

State funding would have to be approved by both the House and the Senate and approved by Gov. Rick Scott.

The economic impact of a current Tampa Bay Innovation Center facility in St. Pete, TEC Garage, was about \$14 million last year, according to Tonya Elmore, the group's executive director.

"This would be substantially more considering we would have more clients and more companies," Elmore said.

The TEC Garage is about 6,000 square feet. It served 45 clients in its first year. The new facility would be close to eight times that size and is expected to serve about 60 clients. The comparison between the two is difficult to quantify because the new facility would provide office and conference space for all clients, a perk not currently available at TEC Garage.

The innovation center supports entrepreneurial success by fostering the creation of high-tech jobs and developing new sources of technology and manufacturing capabilities. The group's mission is to nurture early stage ventures as they grow and help launch their products into the marketplace.

A new incubator would likely benefit from partnerships with other local research institutes like the University of South Florida College of Marine Science, Johns Hopkins All Children's Hospital, USF Tampa and USF's Center for Advanced Learning and Simulation.

If funding goes as planned, Meidel said he hopes to begin construction as early as October 2017.

Janelle Irwin
Reporter
Tampa Bay Business Journal



UPDATE TO
FEASIBILITY ANALYSIS OF A
BUSINESS INCUBATOR
IN PINELLAS COUNTY, FLORIDA

September 4, 2018

Presented to:

Tonya Elmore, President
Tampa Bay Innovation Center
244 2nd Ave N / St Petersburg College
St Petersburg, FL
727-547-7340
elmoret@tbinnovates.com
www.tbinnovates.com



Presented by:

Jim Greenwood, President
Greenwood Consulting Group, Inc.
1150 Junonia
Sanibel, FL 33957
239-395-9446
gail-jim@g-jgreenwood.com
www.g-jgreenwood.com

Copyright © 2018 by Greenwood Consulting Group, Inc.
Right to reproduce and distribute is granted to the Tampa Bay Innovation Center

TABLE OF CONTENTS

1. Executive Summary	1
2. Introduction	4
3. Feasibility Factors	6
3.1 Market	6
3.2 Presence of Necessary Resources	13
3.3 Community Support for Project	14
3.4 Reaching Positive Cash Flow	15
3.5 Management Plan	19
4. Conclusions	25
5. Recommendations	27
Appendix A. Market Survey Summary: All Respondents	28
Appendix B. Market Survey Summary: Potential Tenants Only	31
Appendix C. Cash Flow Projections, Scenarios #1a-#3a	34
Appendix D. Cash Flow Projections, Scenarios #2a-#2c	37
Appendix E. Current TBIC Incubator Lease	40
Appendix F. Current TBIC Incubator Client Handbook	41

1. EXECUTIVE SUMMARY

The purpose of this project was to update the feasibility study conducted previously that concluded that a new business incubator in the downtown, St. Petersburg area is feasible. The update is being conducted because proponents of the proposed incubator are submitting an application to the Federal Economic Development Administration (EDA) for funding to help develop the project. Because this update is being done specifically as part of the EDA application, its content is focused on the factors that EDA wants included in a feasibility study for a proposed business incubator.

A business incubator is a facility and set of services and programs that collectively improve the chances of success of both start-up and existing small businesses. A feasibility study answers whether a business incubator will be successful in a particular community and environment. This project was commissioned by the Tampa Bay Innovation Center (TBIC), which has successfully developed and operated several incubators in the Pinellas County region over the past 15 years.

This feasibility study was conducted by Greenwood Consulting Group, Inc. (GCGI), which performed the original feasibility study for this project. GCGI has consulted on almost 100 incubator projects in the United States and Canada.

To respond to the EDA requirements for a grant application for incubator funding, this feasibility study addresses the market, presence of needed resources, community support, positive cash flow potential, and the management plan.

1.1 Market

In assessing the market for the new Pinellas County business incubator, GCGI relied primarily on the market survey that was distributed throughout the region as part of the original feasibility study for this project. A total of 429 surveys were returned, which is an excellent response rate in GCGI's experience. Of these responses, 66 came from individuals who are interested in becoming tenants of the proposed incubator, and another 120 came from entrepreneurs interested in using services at the incubator even though they would not locate their businesses there. Assuming that only half of the potential tenants identified through the market survey actually commit to a lease in the proposed new incubator, this would provide more than adequate initial occupancy in an incubator of up to 45,000 square feet.

Because the market survey was conducted several years ago, GCGI looked to more recent indicators of the continuance, or even strengthening, of the market for the proposed incubator. Primary data indicated ongoing demand for the incubator, with the TBIC reporting its small, downtown St. Petersburg incubator attracting 40-45 clients and another 46 coworking clients, and that it has a waiting list. Secondary data also were supportive of a conclusion of ongoing demand for the proposed incubator; for example, the number of small (< 5 employees) and micro (no employees) firms in Pinellas County continue to increase, and pockets of burgeoning demand were identified in the Information and Educational Services industries.

Interest has been expressed, beginning with the original feasibility study, in devoting the St. Petersburg incubator to the marine sciences or to the life sciences. Marine science is seen as a local strength with a large number of marine scientists employed by state and Federal agencies. However, GCGI did not believe this strong presence translates into an opportunity for a marine science only incubator in its original feasibility study for this project. For example, only 3 of the 66 potential tenants are in marine sciences, and in Pinellas County there were only 73 companies even if a broad definition is used for this industry—and most of those firms are larger, with more than 5 employees, and therefore less likely to be incubator candidates. The updated data for marine science is not much more encouraging, although there is some modest uptick in the number of smaller firms that arguably are part of the marine sciences industry.

However, there are more positive signs that the much-anticipated entrepreneurial growth in the life/medical sciences industry is beginning to emerge. There has been an impressive 11% growth in the number of small (< 5 employee) life science firms in just the past 5 years in Pinellas County, more than double the growth rate of the overall Tampa Bay MSA.

GCGI concludes that a market still exists for the proposed TBIC incubator, but that it continues to need to cater to a variety of industries as there is no one single industry large enough to support the incubator (nor could a single industry incubator help Pinellas County meet its goal of economic diversity). We believe the breadth of the targeted industries identified by Pinellas County is a reasonable starting place for defining the breadth and boundaries of the industries that should be catered to by this incubator.

1.2 Presence of Necessary Resources

GCGI believes there are three factors that demonstrate that Pinellas County has the resources needed to make the proposed new TBIC incubator a success.

First, the TBIC has an impressive, 15-year track record of successfully incubating companies in Tampa Bay region. Given the high failure rate of incubators that are poorly conceived or serve inadequate markets, TBIC's longevity is impressive, and indicates this organization knows not only how to incubator companies but also how to maintain itself as a viable, cash-flow positive organization.

Second, the County of Pinellas has shown a willingness to make a substantial local contribution to the cost of developing the proposed incubator. The County has agreed to invest \$3 million as a local match for the \$9 million being sought from EDA. GCGI is impressed that the County is both willing and able to make this commitment.

Third, a similar impressive commitment is being made by the City of St Petersburg, which is investing the free use of a 2.5-acre parcel in downtown St. Petersburg to this project. Once again, if it were not for deeply committed organizations like Pinellas County and City of St Petersburg, there is no way the proposed TBIC incubator would be anything more than an unachievable vision.

1.3 Community Support for Project

GCGI finds that there is strong community support for the proposed new incubator.

First, in the aforementioned market survey, respondents were asked if they thought the incubator was a “good idea” for the community. Almost 90% of respondents said it was, demonstrating strong community support.

Second, a survey of community members in the region by the St. Petersburg Area Chamber of Commerce concluded that almost half of respondents felt the County needed more incubator and accelerator resources, which again indicates community support for something like the proposed incubator.

Third, as indicated above, both the County of Pinellas and the City of St. Petersburg are prepared to make major investments in the proposed incubator, which GCGI believes is indicative of strong community support for the project. If the County and City did not perceive that the community supported the proposed incubator, then GCGI would not expect them to make such investments.

Finally, the TBIC has several governing and advisory boards, all of which have attracted impressive representation of the community’s public and business leadership. Once again, GCGI would not expect TBIC to be able to attract such volunteer talent, if it did not have strong community support.

1.4 Financial Sustainability & Positive Cash Flow

The EDA deserves credit for requiring incubators seeking its grant funding to demonstrate that they can reach positive cash flow (breakeven) within 3 years of the start of operations. EDA recognizes, as does GCGI, that an incubator needs to be able to reach positive cash flow, and do it promptly, in order for the incubator to be viable, successful, and feasible.

Based on the level of initial occupancy that could be achieved (given the number of market survey respondents expressing interest in becoming tenants of the new incubator), GCGI initially prepared 5-year cash flow projections for several scenarios ranging in size from 30,000 to 50,000 square feet. The smaller sizes turned out to not be viable, primarily because the TBIC requires a relatively high staffing budget to provide a high level of services to its client companies, and that cost can’t be covered by a smaller incubator. However, it appeared that something in the 40,000 to 50,000 range might be viable. Therefore, GCGI explored these sizes further, and concluded that a 45,000 square foot incubator would be the ideal compromise between being big enough to reach positive cash flow within 3 years of commencing operations, and being small enough to fit within the \$12 million development budget established for this project. GCGI is able to estimate that such an incubator could reach breakeven by Year 3, at an occupancy level of only 81%. Even more impressively, if the incubator includes anchor tenant(s) occupying about 10,000 square feet of the facility, positive cash flow could be reached by Year 2 at an occupancy of only 73%.

1.5 Management Plan

Because the TBIC has been operational for about 15 years, it already has a comprehensive set of policies and plans that can be adapted to use in the proposed new incubator.

The TBIC will use an existing and proven set of 8 criteria in deciding whether to admit a new client/tenant into the incubator. The TBIC already has a lease document that has been refined and revised, and has met the test of time in its usefulness and applicability to incubator-tenant relations. A separate agreement has been structured for clients using the incubator's coworking/collaboration space.

The TBIC already provides an impressive array of services in both incubation and acceleration. Staffing is intensive because of the high level of contact/involvement that the TBIC takes with its clients and tenants. Graduation from the incubator is determined when the client/tenant reaches 2 or more of 7 criteria that are stated up front in the client handbook so clients/tenants are aware of them from the beginning of their tenure in the incubator. And the TBIC performance plan specifies what information the tenant/client is to provide on a quarterly basis, and what metrics will be used to judge the incubator's progress and success also on a quarterly basis.

1.6 Conclusion and recommendations

GCGI concludes that the proposed new TBIC incubator is feasible, based on the criteria specified by the EDA. GCGI is particularly impressed with the large number of survey respondents expressing interest in becoming tenants, and the emergence of the life sciences industry. We also are pleased with the project's financial performance, and its ability to reach positive cash flow within 2-3 years and at modest 73-81% occupancy rates.

Given GCGI's positive conclusion that the proposed new incubator is feasible, we recommend:

- The County, with assistance from the TBIC and City, should submit a full application to the EDA for \$9 million to fund a portion of the cost of the new incubator.
- The County dedicate \$3 million to match the EDA investment, providing a total development budget of \$12 million
- The City make available the 2.5-acre parcel on 11th Avenue South/4th Street South to the incubator project at no or minimal cost for the life of the incubator
- Under the County's leadership, provided the EDA acts positively on its grant application, promptly administer the grant and develop the incubator within 18 months of the submission date of September 14, 2018.

2. INTRODUCTION

In 2013, Greenwood Consulting Group, Inc. (GCGI) was retained by the Tampa Bay Innovation Center (TBIC) to prepare a feasibility study for a proposed new business incubator in Pinellas County region of Tampa Bay. A business incubator is defined as a facility and set of programs and services that collectively

provide a supportive and nurturing environment for the formation of new companies and the expansion of existing small firms. A feasibility study focuses on answering the question “Will an incubator likely be successful in this environment?”

At that time, TBIC was operating a very successful 30,000 square foot incubator in Largo, one of the incorporated communities in northern Pinellas County. But the industrial complex in which the Largo incubator was located was slated to be sold, and therefore relocation of the TBIC incubator was inevitable. The main purpose of the feasibility study, then, was to determine if the TBIC incubator would be successful if it were relocated elsewhere in the region, and what parameters and characteristics would be important to that success.

GCGI concluded that a relocated TBIC incubator was feasible, and would have strong market demand. GCGI further concluded that the preferred location in the region for the incubator was downtown St. Petersburg (determined, in large part, based on the locational preferences of entrepreneurs interested in becoming tenants of the new incubator), and that it should be approximately 40,000 to 50,000 square feet in size to serve the identified market and achieve financial self-sustainability in its operations within a few years of start up.

For a variety of reasons, TBIC was not able to transition directly from the Largo facility to a permanent, downtown St Petersburg incubator facility. Instead, TBIC relocated into a modestly sized (6,000 sf) space on the downtown campus of St. Petersburg College. While showing considerable success at the College location, long term operation of the TBIC incubator was jeopardized by the small facility size, which prohibited the incubator from generating the revenues needed to cover its ongoing operating costs.

Therefore, the TBIC and its government partner, Pinellas County, have determined that the incubator should make a final transition from the College space (and a temporary 2018 County building location) to an appropriately sized incubator facility in downtown St. Petersburg that will enable it to generate the revenues needed to cover operating expenses. The County and the TBIC are applying for funding from the Federal Economic Development Administration (EDA) to match a County investment to develop the new incubator facility. As part of such an application, the EDA requires a feasibility study for the proposed incubator, consisting of a market analysis, proof of presence of necessary resources and community support, a financial self-sustainability assessment, and a management plan.

The purpose of this report is to update the content and findings of GCGI’s original¹ feasibility study for the TBIC. This update has been performed by GCGI, based on its familiarity with TBIC and the Pinellas County incubator environment, and on its extensive experience of consulting with almost 100 communities on incubators.

This report is organized into two major sections. The first covers the mandatory components of an incubator feasibility study, per the EDA requirements. The second section consists of GCGI’s conclusion about the feasibility of the proposed new TBIC incubator facility in downtown St. Petersburg, and recommendations for next steps. Appendices are also included that summarize results of the market

¹ The original feasibility report is being provided as a separate attachment to the EDA Application

survey, detailed financial projections for operations of the new incubator facility under several different scenarios, and samples of key management documents including the existing TBIC incubator lease and client handbook.

3. FEASIBILITY FACTORS

As discussed in the Introduction, EDA requires a feasibility study be performed for a grant funding application for a business incubator. Per the EDA requirements for Section 900C of a grant application, the feasibility study is to address the market for the incubator, proof of presence of needed resources and community support, the incubator's ability to become financially self-sustaining within 3 years of start up, and a management plan. These requirements are addressed in this order in this section of this report.²

3.1 Market

There must be an adequate market for a proposed incubator, or it will not be feasible. It does not matter how well a new incubator meets other feasibility factors or criteria if there are not sufficient entrepreneurs who want to become part of the project. This is especially true for potential tenants, because of their importance in making the incubator financially sustainable and creating the energy and interaction that can make an incubator a more conducive environment to start and grow businesses.

GCGI has considered both primary and secondary data in its updated assessment of the proposed new TBIC incubator. Primary data are expressions of interest in the incubator by potential tenants and clients, while secondary data are published statistics that can help us understand the market demand.

3.1.1 Primary Market Data

In its original feasibility study for the proposed Pinellas County incubator, GCGI relied heavily on an extensive market survey. The survey was disseminated widely in the region, and resulted in 429 responses. This is the largest number of responses that GCGI has ever received to one of its incubator market analyses, and suggests both that the survey was well disseminated and that the community had a strong interest in the proposed incubator.

Of the 429 respondents to this market survey, 66 expressed an interest in becoming tenants of the proposed business incubator. This is a substantial number of potential tenants, but to put it into proper perspective, it is necessary to estimate the occupancy levels that these tenants would achieve in the incubator.

Table 1 on page 7 shows the results of this assessment. The table shows occupancy levels ranging from 30% to 100%. It also shows different incubator sizes: incubators vary considerably in the size of their

² The full, original feasibility study for a new Pinellas County incubator addresses additional considerations. The final report for that original study is attached to the County's EDA application for a new incubator facility dated September 2018.

facilities, and GCGI has determined the approximate size needed in the new TBIC incubator to reach financial sustainability, so Table 1 shows a range of 30,000 to 50,000 square feet.³ GCGI assumed that only half of the potential tenants might actually locate in the new incubator; therefore, the yellow highlighted cells show the occupancy level that this number (n=33) of tenants would achieve. This many tenants would fill about 85% of a 30,000 square foot incubator, and about 70% of a 35,000 square foot facility.

GCGI typically considers 60% or more to be a good initial occupancy level for a new incubator, and this rate could be achieved in anything smaller than a 40,000 to 45,000 square foot facility.

Table 1. Number of tenants required to achieve various occupancy levels

Building Size		Occupancy Level							
		30%	40%	50%	60%	70%	80%	90%	100%
	30,000 sf	12	16	20	23	27	31	35	39
	32,000 sf	12	17	21	25	29	33	37	42
	35,000 sf	14	18	23	27	32	36	41	46
	40,000 sf	16	21	26	31	36	42	47	52
	45,000 sf	18	23	29	35	41	47	53	59
	50,000 sf	20	26	33	39	46	52	59	65

Therefore, it appears from Table 1 that there is an adequate market for this incubator, based on number survey respondents, and that an incubator of up to 45,000 square feet in size could be supported.⁴

Table 2 indicates the industries represented by the 66 survey respondents interested in becoming tenants of the proposed Pinellas County incubator.⁵ GCGI concludes from these data that no industry dominates the potential tenant base, so the incubator must cater to a variety of industries; and many of the tenants are arguably in technology and/or one of the Pinellas County targeted industries⁶ which makes them desirable incubator candidates.

³ Buildings are assumed to be 65% net leasable; e.g., in a 10,000 square foot facility, about 6,500 square feet would be available for lease to incubator tenants. Further, the average incubator tenant is assumed to occupy about 500 square feet, which is far below the average of about 1,700 to 1,900 square feet reported in the National Business Incubation Association (NBIA) publications *Business Incubation Works* (1997) and *1998 State of the Business Incubation Industry*. The 2012 update to the *State of the Business Incubation Industry* does not state an average, but GCGI estimates it to be about 625-650 square feet based on other data presented in that report.

⁴ This compares with a conclusion in the original feasibility study that an incubator facility of up to 35,000 sf could be supported. The difference is that the original study assumed the facility would be 75% leasable, versus this update assumes a more conservative 65% leasable.

⁵ Appendices A and B include detailed results of the market survey, both for all respondents and for only those 66 respondents interested in becoming tenants

⁶ The Pinellas County Economic Development Authority has identified 6 industries on which it wants to focus. They are listed in Table 3, and are further described at <https://www.pced.org/page/SiteSelector>.

Table 2 indicates most potential tenants are selling services, with this 62% of the market being equally split between personal and business services. There is some technology interest, with about 14% of potential tenants being technology-related, including about 9% being in information technology.

Table 2. Industries Represented by Potential Tenants

	Number ⁷	% of Total (n=66)
Marine & Ocean	3	5%
Life Sciences	1	2%
Health services	12	18%
Environment	3	5%
Personal services	20	31%
Business services	20	31%
Manufacturing/machine shop	1	2%
Technology	9	14%
Information Technology	6	9%
Construction	6	12%
Other	8	9%

It was not possible to repeat, as part of this update to the feasibility study, the market survey conducted in 2013. However, GCGI has collected several indicators that the market for the proposed incubator is still strong, and of the magnitude suggested in the original feasibility study.

First, the original TBIC incubator was large, and there was strong demand for it. The facility was approximately 38,000-40,000 square feet in size, accommodated approximately 35 to 40 clients at any one time.

Second, the existing TBIC incubator on the downtown campus of St. Petersburg College, while being only 6,000 square feet in size, has accommodated as many as 42 clients at any given time. The TBIC president & CEO indicated that the relocation to downtown St Petersburg resulted in a 10 fold increase in demand, but both the smaller space and budget limitations led to a limitation on the number of clients who could be accommodated. As a result, the TBIC is currently working with approximately 22 clients.

Third, the TBIC president & CEO, when asked if she believed that she could secure enough tenants to reach a responsible initial occupancy rate in a new incubator, said she could come up with 35 clients needed to do this.

Fourth, since completion of the original TBIC feasibility study, the incubation industry has seen the emergence of a new phenomenon known as coworking or collaboration space. Some entrepreneurs, stereotyped as younger and technology oriented, have shown a preference for having access to an open, inviting area where they can network and collaborate with other entrepreneurs. The current TBIC facility in downtown St Petersburg is accommodating approximately 46 such coworking/collaboration clients, and GCGI therefore believes there is a similar number of such clients in the market for the proposed new incubator facility.

⁷ The total exceeds 66 because GCGI categorized some responses into multiple industries

Finally, the current mix of clients of the small downtown St. Petersburg TBIC incubator shows that an adequate market exists for an incubator that is focused on technology and the targeted industries of Pinellas County. Table 2 shows the industries and approximate number of clients in each of those targeted industries. It is important that “technology” be broadly defined, and it is important that the TBIC not become overly focused on one or a few technologies, as GCGI believes there is not an adequate market for a narrowly-defined technology incubator. Given this, Table 3 shows that the current TBIC is successfully appealing to entrepreneurs in almost all the County’s targeted industries. And, equally importantly, it shows that there is no dominant technology or industry, which supports the recommendation that the proposed new incubator continue to cater to entrepreneurs across many different technologies and industries.

Table 3. Downtown St. Petersburg Incubator Client Industries⁸

Industry	#Clients
Advanced Manufacturing	6
Aviation & Aerospace	0
Business & Financial Services	13
Defense & Homeland Security	2
Information Technology	12
Life Sciences/Medical Technologies	9
Total	42

The bulk of GCGI’s market analysis in the original feasibility study focused on potential tenants, because of their critical importance to the success of a new incubator. However, it also should be noted that there were approximately another 120 survey respondents who were interested in receiving services at the proposed new incubator even though they would not want to locate their businesses there. This is a large number, in terms of the number of small and start-up firms seeking business assistance and access to resources, and is an indication of unmet needs for business assistance in the St. Petersburg region. GCGI believes this suggests that the proposed business incubator should serve more than just its tenant companies, because it can become a focal point for business assistance in the region to other small and start-up businesses. It also suggests that the market for the incubator likely includes a number of “affiliates,” which are firms that want a regular ongoing relationship with the incubator even though they are not tenants. In addition to greatly expanding the impact of the incubator beyond its tenants (in this case, serving 120 non-tenants would almost triple the incubator’s reach beyond 66 potential tenants), this also can be an important source of revenue for the incubator.⁹

3.1.2 Secondary Market Data

GCGI typically uses secondary data, which are data published online or in reports that show gross numbers for various industries and categories of firms, to supplement and complement the primary data collected through market surveys. However, because GCGI was not able to conduct a new market survey for this updated feasibility study, it is more dependent on the secondary data to determine if

⁸ Data from TBIC’s proposal to the Pinellas County Economic Development Authority LOI

⁹ Of these respondents interested in using services at the incubator, 48 also said they are service providers. A careful analysis of these responses should be made to see how many are truly interested in receiving services

changes in industries or firms have occurred since the original feasibility study that would affect the relevance of the original market survey results.

Unfortunately, GCGI's ability to use these secondary data is hampered by recent changes in how the U.S. Census Bureau reports data in such key categories as nonemployer statistics and county business patterns. For example, GCGI typically likes to consider the number of very small firms in a particular industry—defined as fewer than 5 employees—because we find this subset to be particularly relevant to the market for a business incubator that caters to small firms. But unfortunately, the Census Bureau only provides data on this fewer than 5 employee category for the two most recent years (2015 and 2016), except for very gross industry categories (e.g., 2-digit NAICS codes). GCGI also found it hard to find data for comparative purposes for the year 2011, which would represent the data available when the original TBIC incubator feasibility study was done.

Table 4 compares data for Pinellas County and the Tampa Bay MSA for the most recent year available (2016) with the data available when the original TBIC incubator feasibility study was prepared (2011). Several conclusions can be drawn from these data. First, Pinellas County continues to lag behind the MSA with respect to business formation at all levels—the MSA leads the County in terms of growth in regular business establishments, business establishments with fewer than 5 employees, and nonemployers. This suggests a Pinellas County incubator is needed to bring the County more in line with the business and entrepreneur development of the greater Tampa region. Second, the economic mix of Pinellas County remains stable over the 5-year period of 2011 to 2016: there are almost 3 nonemployer businesses for every regular business establishment in the County, and over 60% of the County's business establishments have fewer than 5 employees. These facts are true for both 2011 and 2016, which suggests the County's overall economy is no more nor less entrepreneurial now than it was when the original TBIC incubator feasibility study was conducted, which again suggests the results of the original market survey are still relevant today. And third (which is somewhat contradictory to conclusion #2 above), the Pinellas County economy is becoming modestly more entrepreneurial, in that the number of non-employers is growing much faster than the overall pool of regular business establishments (11.9% vs 7.7%). The growth of smaller business establishments (< 5 employees) is modestly higher than all business establishments (8.1% vs. 7.7%). Therefore, although the ratios of these three categories of businesses are not changing much, the raw number of nonemployers, and to a lesser extent the number of <5 employee establishments, are increasing more rapidly than the overall number of business establishments. This increase again supports the conclusion that the results of the market survey conducted in the original TBIC incubator feasibility study are still relevant today.

Table 4. Business Establishment Data

	Pinellas County			Tampa Bay MSA		
	2016	2011	Change	2016	2011	Change
Population	940k	918k	2.4%	2,928	2,797k	4.7%
Reg establishments	28,117	26,114	7.7%	77,204	69,369	11.3%
<5 employees	17,572	16,252	8.1%	46,943	41,949	11.9%
Nonemployers	81,112	72,483	11.9%	246,143	210,258	17.1%
Ratio: nonemployer/reg estabs	2.9	2.8		3.2	3.0	
% reg estabs with <5 employees	62%	62%		61%	60%	

Additionally, there are some interesting examples of growth within these broad numbers in Table 4 that point to possible opportunities for a new Pinellas County incubator:

- The number of small business establishments (< 5 employees) in Pinellas County in the Information industry (NAICS 51) increased an impressive 33.2% in the short 5-year time period of 2011 to 2016. The number of nonemployer firms in this industry declined during the same time period; GCGI hypothesizes that smaller, non-employer firms in the Information industry grew to the point that they employed several workers, and thus “graduated” from the nonemployer statistics to those for smaller regular establishments. Several specific areas of growth and opportunity within the NAICS 51 are
 - 34 software publishers in Pinellas County, of which 17 have < 5 employees
 - 40 motion picture & video production firms, of which 36 have < 5 employees
 - 66 data processing/hosting/related firms, of which 49 have < 5 employees
 - 40 Internet publishing/search portals, of which 33 have < 5 employees.
- The number of nonemployer firms in Educational services (NAICS 61) also grew in Pinellas County by 33% during this 5-year period, and small firms in this industry (<5 employees) grew by an impressive 17%. These data suggest large and rapid growth in the number of small and micro firms in Educational services in the County should represent a good opportunity for the new TBIC business incubator.
- GCGI is starting to see indicators of growth in the life sciences industry in Pinellas County. Much speculation has surrounded the future of this industry since Johns Hopkins established a large presence in the County in recent years. Table 5 shows data for a variety of NAICS codes that might be included in the overall life science industry,¹⁰ both for 2011 and 2016 (once again representing the latest data when the original TBIC incubator feasibility study was conducted, versus most recently available data today).
 In only 5 years, the number of small (< 5 employee) firms in the life science industry increased by an impressive 11%, which is more than twice the growth of all firms in this industry in the County. NAICS categories with sizable growth in smaller life science firms are highlighted in the final column of Table 5; interestingly they are not clustered in any single area of the industry, but range from manufacturing of dental equipment and supplies, to consulting, to R&D, to medical laboratories. With this impressive growth occurring by 2016 (before the Johns Hopkins facilities and programs were fully built out), and the proximity of the proposed TBIC incubator site to the new Johns Hopkins campus, suggest to GCGI that additional life science market opportunities should be available to the incubator in the future.

However, one industry that GCGI still believes does not represent much of market opportunity for the TBIC incubator is marine sciences. Ever since the original feasibility study was prepared, GCGI was told that marine sciences was a major industry in Pinellas County and could be capitalized upon by the incubator. But in that original study, GCGI determined that marine sciences did not represent much of

¹⁰ As we did in the original TBIC feasibility study, GCGI used a University of South Florida analysis of the “Medical Product Industries Cluster in Tampa Bay,” to identify 14 relevant NAICS industry categories

Table 5. Life Science Industry in Pinellas County

NAICS Category	Industry	2011		2016	
		All Bsns Estabs	<5 Employees	All Bsns Estabs	<5 Employees
325411	medical & botanical manuf	4	1	4	2
325412	Pharmaceutical prep manuf	6	1	6	2
334510	Electromedical apparatus manuf	6	3	7	4
334516	Analytical lab instrum manuf	4	3	4	3
339112	Surgical & med instrum manuf	11	4	5	1
339113	Surgical appliance & sup manuf	14	4	15	5
339114	Dental equip & supplies manuf	3	1	6	3
339116	Dental labs	41	27	33	24
541380	Testing labs	25	13	25	11
541690	Other sci & tech consulting svcs	95	81	105	96
541711	R&D in biotech	11	9	8	5
541712	R&D in phys/engin/life sci except biotech	39	19	40	24
621511	Medical labs	21	14	42	24
813212	Voluntary health organization	12	6	8	3
Totals		292	186	308	207
Overall growth '11- '16				5%	11%

an opportunity for the incubator. First, only 3 of the 66 potential tenants identified through the incubator market survey process were in marine sciences. Second, GCGI determined that there were relatively few firms in the entire county that are in this industry (approximately 73 firms out of a base of about 26,000 total companies in the County), which means few firms in this industry are likely to be small and start-up firms requiring incubation. Third, the vast majority of marine science firms in the County are larger—more specifically, 58% of these firms have 5 or more employees—and therefore are less likely to be candidates for the incubator. Finally, many persons employed in the marine sciences in Pinellas County are part of State or Federal government, which are typically not candidates for tenancy in an incubator, and GCGI's interviews suggested that there were not a lot of opportunities for, or interest in, such workers spinning off marine science firms.

GCGI updated its analysis of the marine sciences industry secondary data to considered possible changes that might have occurred between 2011 and 2016. The results are shown in Table 6. The total number

Table 6. Pinellas County Marine Science Industry Code Data

NAICS Industry Code	Industry	2011		2016	
		Reg Estab	<5 Empl	Reg Estab	<5 Empl
334511	Navig/guid/aero/nautical sys manuf	13	2	11	2
33661	Ship & boat building	21	10	20	11
541712	R&D in phys/engin/life sci excpt biotech	39	19	40	24
Total		73	31	71	37
Change '11- '16				-3%	19%

of firms in the marine sciences industry in Pinellas County actually declined by about 3% in the 5-year period ending in 2016. Growth in smaller firms (< 5 employees) is an impressive 19%, but GCGI believes this is likely grossly overestimated, because Table 6 assumes all growth in "R&D in physical/engineering/life sciences except biotech" NAICS category is in marine sciences, and this NAICS category is where virtually all of the alleged marine sciences industry growth has occurred.

Therefore, GCGI continues to feel that marine sciences do not represent a major market opportunity for the proposed TBIC incubator. However, we understand the community's interest in marine sciences industry, and therefore GCGI encourages the incubator to incorporate small and start-up firms in this industry when viable opportunities to do so present themselves.

3.1.3 Market Summary & Conclusion

The original feasibility study for the proposed new TBIC incubator in Pinellas County centered on a market survey completed by over 400 local entrepreneurs, leaders, and residents. Impressively, 66 respondents indicating an interest in becoming tenants of the incubator, with approximately another 120 interested in receiving services at the incubator but not locate there. If only half of the 66 respondents actually become tenants, this would represent a high occupancy level in a medium-sized incubator, and could even achieve a reasonable initial occupancy level in a larger incubator.

Time and resources did not permit conducting a new survey as part of this feasibility update, but GCGI noted both primary and secondary data that suggest the market for the proposed incubator is still strong. These data range from high occupancy levels and waiting lists at the current incubator on the campus of St. Petersburg College, to indicators that the number of Pinellas County entrepreneurs continues to grow. GCGI also identified some interesting specific market opportunities from the secondary data collected: strong growth in the Information and Educational Services industries are examples. GCGI also identified what may be the early stages of entrepreneurial growth in the region's life science industry, which has been anticipated by Johns Hopkins University's large and recent presence in the St. Petersburg area. However, the survey responses, as well as secondary data collected from a variety of sources, continue to indicate there are not strong entrepreneurial growth occurring in the marine sciences industry: Marine sciences are strong in Pinellas County and the greater region, but that strength lies almost entirely in public sector research activities at the university, and Federal and state government levels. To date, that large public sector involvement in marine sciences has not translated into many spinoffs or other entrepreneurial start ups that the incubator could foster.

GCGI concludes that there is a strong and continuing market for the proposed TBIC business incubator in Pinellas County, but that market is for an incubator that caters to a variety of types of businesses in many different industries. That breadth can generally follow the lines of the industries being targeted by the Pinellas County EDA, many of which are broadly in technology-related industries and/or industries producing higher paying, stable jobs. GCGI understands the region's interests in life and marine sciences, but believes those interests can best be served by creating a strong, viable diversified incubator that emphasizes or puts special attention on industries of high interest (but small size) such as marine and life sciences.

GCGI also believes the proposed new incubator needs to closely monitor developments as Johns Hopkins University's presence in the Pinellas County region grows, to see if greater demand emerges to support small and start up life sciences businesses.

3.2 Presence of Necessary Resources

GCGI has identified three necessary resources for the success of the proposed TBIC incubator facility that are present in Pinellas County:

3.2.1 Experienced incubator management. The proposed new incubator facility would be operated by the Tampa Bay Innovation Center, aka STAR-Tec Enterprises. The TBIC has a long and successful track record of operating incubators, dating back about 15 years to when it began operations of the original Pinellas County incubator in Largo, Florida. TBIC operated that 38,000-40,000 square foot incubator facility for more than a decade, and then transitioned its operations to a small, temporary incubator location on the downtown campus of St. Petersburg College when the Largo facility was put up for sale. Despite having to dramatically downsize to a space only 20% the size of the largo facility, TBIC was able to build a strong client base of about 46 coworking clients, and another 42 traditional incubation clients across the County's targeted industries. However, with budgetary cut backs, TBIC currently has 22 clients that collectively generated 114 jobs and generated, conservatively, over \$6 million in annual revenues. The current College location is so small that it cannot generate the revenues that TBIC needs to sustain the high level of services that it provides to even this reduced number of clients, and therefore this highly successful incubator desperately needs the proposed TBIC incubator facility to achieve operating self-sustainability while serving clients.

3.2.2 Substantial local financial commitment. Pinellas County has shown its strong commitment to TBIC and to having a viable incubation program by (a) supporting the TBIC with ongoing operating subsidies that permitted the incubator to continue to provide a high level of client services despite the 80% reduction in the leasable space it needs to generate the revenue to provide services, and (b) committing to a \$3 million investment in the proposed new TBIC incubator facility. While many local governments have supported incubator programs, it is common for that support to wane over time; Pinellas County has shown the long-term support for TBIC that is both unusual and commendable.

3.2.3 Donation of land for construction of the incubator. Pinellas County is largely built out, and this is exemplified by both the lack of raw developable land and the high price thereof. A suitable site for the proposed TBIC incubator, therefore, is a resource that is very much needed for this project. The City of St. Petersburg has shown its commitment to TBIC and the proposed incubator by making available, at nominal cost, the 2.5-acre parcel where the new TBIC incubator facility will be built.

3.3 Community Support for Project

GCGI has identified four measures of community support for the proposed new TBIC incubator facility:

3.3.1 Market survey results. One of the questions asked in the incubator market survey was whether respondents thought that an incubator was "a good idea." The intent of this question was to give respondents, including the general citizenry, the opportunity to express a general opinion about the concept of the proposed incubator regardless of specifics like location and focus. Of those who chose to

respond to this survey question, 89.5% said that the incubator was a good idea. This is in addition to the previously reported high level of participation in the survey (approximately 429 responses), and high level of interest in becoming a tenant (66 respondents) or a user of services (approximately 120 individuals).

3.3.2 Interest in the Chamber of Commerce's Grow Smarter Initiative. The St. Petersburg Area Chamber of Commerce (CofC) undertook a "comprehensive process to assess and enhance the city's competitive position to support quality, diverse economic growth now and in the future." Known as the Grow Smarter Initiative, this effort included an extensive community survey to which over 1,500 individuals responded. When asked to rate the entrepreneurial components of the St. Petersburg area, 49.5% of respondents said availability of incubators was weak or very weak. GCGI interprets this to mean that incubation is important to the community, but the community does not feel that the current offering (presumably the small, 6,000 square foot facility on the downtown campus of St. Petersburg College) is adequate to support entrepreneurs.

3.3.3 County & City support. As discussed above, both Pinellas County and City of St. Petersburg have shown strong commitments to the TBIC in its past and present forms, and to its proposed new incubator facility that is the goal of this proposal to EDA. GCGI estimates the County's past, present and proposed commitment to the TBIC incubator to exceed \$5 million, and the City's commitment of the site for the proposed incubator is worth another \$800,000.

3.3.4 Community participation in TBIC leadership. One important measure of community support for a project is whether local individuals are willing to volunteer and participate. TBIC has a 7-member board of directors, a 14-member advisory board, and an 8-member planning committee over this incubator facility project. These individuals represent a wide variety of industries, ranging from legal and accounting practices, to large cancer R&D centers, to other business- and economic-development organizations in the Tampa Bay region. GCGI does not believe that the TBIC could attract such high-level and extensive participation in its governing and guidance boards if the incubator were not well respected in the community.

3.4 Reaching Positive Cash Flow

GCGI believes that it is critical that a business incubator be designed and operated with a goal of reaching financial self-sustainability. Defined as the point where the inflow of cash from operations (rents, services, etc.) begins to exceed the outflow of cash (salaries, utilities, etc.), break-even needs to be reachable within a reasonable time period after the incubator commences operations, and must be achievable at reasonable occupancy levels and rental rates.

Incubators that do not achieve positive cash flow face three adversities. First, they are at risk of shut-down if sources of operating subsidies decide that they no longer want to fund the ongoing operational costs. This is one of the major contributors to the failure of business incubators, in GCGI's opinion and experience. Second, they force their staffs and governing boards to constantly be seeking funding to sustain operations, which means their time is spent doing this rather than coaching and assisting entrepreneurs. And third, GCGI believes an incubator that requires external subsidies to cover its

operating costs will lack credibility with its client companies—how can an entrepreneur respect and trust an incubator manager who is preaching about sustainability of the client’s company when the incubator itself is not financially viable?

In addition to these reasons why an incubator needs to reach positive cash flow, the EDA requires it of incubators that are seeking its grant funding. Supplemental instructions for incubators for Form 900C of the EDA grant application ask for documentation “that the applicant has the financial capacity to operate the incubator facility...and reach a positive cash flow within a reasonable period of time, which EDA generally expects to be three years.”

In the original feasibility study for the proposed TBIC incubator, GCGI considered incubators of a wide variety of sizes, ranging from about 7,000 square feet to 50,000 square feet. But a number of the scenarios considered were not financially viable, and GCGI noted common characteristics of those scenarios as (1) in leased buildings, (2) in smaller buildings, and/or (3) in expensive buildings if debt was required to cover the extra cost. This suggested that, in this updated feasibility study, GCGI would concentrate on larger incubator facilities. This was reinforced by two factors. First, TBIC management pointed out that GCGI had assumed only modest staffing levels in the original incubator feasibility assessment, and they would be inadequate for providing the level of incubator client services that TBIC strives to provide. Second, GCGI reflected on the fact that the level of interest in the proposed TBIC, in terms of potential tenants, would support a larger facility of perhaps 40,000 to 50,000 square feet (recall that half of the survey respondents expressing interest in becoming tenants would achieve a reasonable 60% occupancy level in an incubator of this size).

Therefore, in this updated feasibility study, GCGI has focused on three scenarios for the TBIC incubator, which would be facilities of 40,000 square feet, 45,000 square feet and 50,000 square feet. Table 7 summarizes these three scenarios. All include a 3,000 square foot space to accommodate

Category	Scenario		
	#1a	#2a	#3a
	40k sf new construction	45k sf new construction	50k sf new construction
Incubator Sq Ft	37000	42000	47000
Coworking/collaborative space (Sq Ft)	3000	3000	3000
Staffing cost	\$225k	\$225k	\$225k

coworking/collaboration clients, and all have a \$225,000 allowance for staffing (the minimum amount that the TBIC President/CEO feels is needed to provide programs and services consistent with current and past TBIC practices).

Table 7. Parameters for Three TBIC Incubator Scenarios

GCGI prepared 5-year operating cash flow projections for these three base scenarios. Those projections are based on the following assumptions:

1. The incubator consists primarily of flexible office space, but also includes a 3,000 square foot coworking/collaboration space, and some space that can be used for a variety of purposes
2. Only 65% of the facility is leasable, meaning that for every 10,000 square feet of space, only 6,500 square feet can be leased to tenants while the remaining 3,500 square feet is taken by common areas and shared facilities

3. Rental rates for offices are set at \$25 per square foot per year. This rate is inclusive of utilities, maintenance, common area charges, and insurance on the facility. This rate is based on what TBIC currently charges. Based on conversations with a commercial realtor who is familiar with Pinellas County and downtown St Petersburg markets, this rate also is consistent with what is being paid for Class B office in downtown St Petersburg.
4. Revenues from coworking clients is estimated by assuming the 46 clients currently served by the college campus TBIC incubator are equally divided between the three categories of coworking clients and pay the currently charged rate for each category. Therefore, 15 clients are “drop in” clients paying \$15/day for 2 days per month; 16 clients are “standard” clients paying \$75 per month; and 15 clients are “premium” clients paying \$125 per month. This sums to an annual total of \$42,300.
5. The TBIC president/CEO estimates annual revenues of coaching and coworking to be about \$100,000; given the estimate of \$42,300 for coworking clients, GCGI assumed the incubator would generate the difference of $\$100,000 - \$42,300 = \$57,700$ annually in coaching revenues.
6. The incubator has eight affiliates (non-tenant) companies, paying \$65 per month to access services and resources
7. The incubator is assumed to have a relatively high initial vacancy rate of about 40%, which decreases over time to not less than 15%. This assumption of an initial occupancy rate of 60% is consistent with the estimated size of the initial market for the proposed incubator, per the discussion in Section 3.1 above, and with GCGI’s experience elsewhere.
8. Operating expenses like utilities and CAM are estimated at \$5.50 per square foot for the entire incubator facility, plus an additional \$3.00 per square foot for the occupied areas. These rates are based on estimates made by a commercial realtor familiar with the downtown St. Petersburg market.
9. Staffing costs are assumed to be \$225,000 per year. This was an estimate by the TBIC president/CEO for the least amount of staffing needed to provide the high level of services and programming that the TBIC is known for.
10. GCGI has assumed that the St. Petersburg incubator will retain all rental and service income from its tenants and clients so that it is available to cover the costs of operating the incubator.
11. GCGI assumes a 5% bad debts allowance, to account for tenants and clients who go out of business or otherwise are unable or unwilling to pay the TBIC for space and services.
12. Modest allowances are assumed for telecommunications cost and miscellaneous expenses related to programs and services.

Category	Scenario		
	#1a	#2a	#3a
	40k sf new construction	45k sf new construction	50k sf new construction
Breakeven year	Year 4	Year 3	Year 3
Breakeven occupancy	85%	81%	76%
Accumulated deficits before b/e	\$267k	\$221k	\$171k
Year 5 net revenues	\$9240	\$41,287	\$83,863
Approx. development cost	\$10.9m	\$12.0m	\$13.1m

Detailed projections for the three scenarios based on these assumptions are found in Appendix C, but Table 8 summarizes several key parameters.

The first row in Table 8 indicates how many years the new TBIC incubator must operate before it can reach

Table 8. Operating Financial Parameters for 3 TBIC Incubator Scenarios

breakeven where cash flow becomes positive. Scenarios #2a and #3a are able to meet the EDA criterion of reaching break even by Year 3, whereas Scenario #1a cannot.

The second row in Table 8 indicates the occupancy rate that must be achieved to reach breakeven where cash flow becomes positive. It is preferred that the incubator reach breakeven at a lower occupancy rate, which means the project can endure significant vacancy (during start up, and/or when large tenants graduate). GCGI believes the breakeven occupancy rate should not be higher than 80%; Scenario #1a does not meet this threshold, while Scenario #2a is very close to it at 81%. Scenario #3a is best here, requiring only 76% occupancy to reach breakeven.

The third row in Table 8 estimates how much of an operating deficit will accrue before the TBIC incubator turns cash flow positive. Lower deficits are preferable, because it means less funds need to be raised to cover them. Scenario #3a has the lowest deficit at about \$171,000 while Scenario #1a is almost \$100,000 higher. Scenario #2a is about half way between the other two scenarios, accruing a deficit of about \$221,000 before it reaches break even.

The fourth row of Table 8 estimates how much net revenue the incubator might be generating by its fifth year of operations. Positive net revenues are preferable, as they provide additional resources for additional programming, covering facility issues, and generally providing a cushion to operations. Scenario #1a is barely generating positive cash flow by Year 5 (\$9k), whereas Scenario #3a could be generating a net of \$84k by that year.

Finally, the fifth row of Table 8 reminds us how much it will cost to develop each scenario. Scenario #2a is essentially equivalent to the estimated development budget for this project of \$12 million (\$3 million from Pinellas County, \$9 million from EDA). Scenario #1a is approximately \$1 million less. Troubling is the Scenario #3a that would require about \$1 million more to develop than the \$12 million available for this project.

Given all these variables, GCGI concludes that Scenario #2a is the best overall. It meets EDA's Year 3 break even goal, at an occupancy rate approximating what GCGI believes is reasonable for break even. It does all of this while not exceeding the \$12 million project budget, and could be generating a net positive cash flow of \$41,000 by Year 5.

GCGI next chose to run two variations of Scenario #2a.

In the first variation, the TBIC would include one or more anchor tenant(s) occupying about 10,000 square feet of space. EDA has indicated a willingness to consider an incubator project that includes anchor tenants so long as the anchor(s) pay market rental rates, do not occupy more than 25% of the incubator, and contribute positively to the incubator (e.g., providing mentorships and/or supplier relationships with incubating clients). As argued in the original TBIC feasibility report, anchor tenants are very common in incubators, can improve their financial viability, and can positively benefit the incubating tenants.

In the second variation, the TBIC included 10,000 square feet of anchor tenants like the first variation, but also included an additional \$50,000 for staffing so that the total staff cost is assumed to be \$275,000 per year.

Table 9 shows the operating parameters for the base Scenario #2a, and these two variations dubbed Scenario #2b and #2c.

Scenario #2b is impressive. By incorporating an anchor tenant,¹¹ the incubator becomes cash flow positive by Year 2, way ahead of the EDA criterion of Year 3. And it can reach this breakeven point at a

Category	Scenario		
	#2a	#2b	#2c
	45k sf new construction	45k sf new construction w/anchor	45k sf new construction w/anchor and \$275 staff cost
Breakeven year	Year 3	Year 2	Year 3
Breakeven occupancy	81%	73%	82%
Accumulated deficits before b/e	\$221k	\$74k	\$187k
Year 5 net revenues	\$41,287	\$89,543	\$31,051
Approx. development cost	\$12.0m	\$11.9m	\$12.0m

modest 73% occupancy, which removes some of the pressure to add new tenants that may be less than a perfect fit for the project. The accumulated deficits are also only one-third of those of the base Scenario #2a (\$74k vs \$221k), and can still be developed for the \$12 million project budget.

Table 9. Operating Financial Parameters for Variations on TBIC Scenario #2

Scenario #2c appears to be “a wash” with Scenario #2a. Put another way, it takes most of the improved financial performance of Scenario #2b, in return for the \$50,000 increase in staffing allowance.

GCGI concludes that the right size for the proposed TBIC incubator is about 45,000 square feet, and that it is preferable to include one or more anchor tenants provided that suitable ones can be found that meet EDA’s criterion that the anchor provide positive impacts on the rest of the incubator. GCGI recommends that the staffing allowance remain at \$225,000 per year, unless additional revenue sources can be identified that would support additional staffing.

3.5 Management Plan

The TBIC has been functioning for almost 15 years, and has helped dozens of clients and tenants. Therefore, the TBIC already has established and refined the various policies and plans requested by EDA as part of this grant application. This section is divided into the six topics specifically required by EDA per the instructions for Form 900C.

3.5(a) Tenant/Client Selection Policy

¹¹ GCGI assumed the anchor(s) pay a rental rate of \$18.50/sf gross. This approximates the average rental rates for Class B offices in south Pinellas County. GCGI chose to use this rate both because it is more conservative and because we believe anchor tenants may be comparing rental rates in the incubator with a broader real estate market than just downtown St Petersburg.

TBIC's success depends on building, mentoring and providing dedicated resources to Tampa Bay's most promising high-impact small and emerging firms. These clients must be in an impact industry identified by Pinellas County as a targeted industry, or they must have a unique product/concept. As a result, initial screening (developed by the University of Tampa for use by the TBIC) of a client includes evaluating:

- **Feasibility of the Business.** Assessment of the business potential for a combination of significant capital gains potential, attractive investment possibilities, and actual implementation (i.e., the more likely the plan is to become a going venture, the better).
- **Marketability of the Product or Service.** Is there a viable market for the product or service? Assessment of size of the market, growth potential of the market, and strategies to enter the market.
- **Strength of the Management Team.** Assessment of the key members of the firm's management team with regard to the necessary skills, drive, and desire to run/grow the business in an effective and efficient manner.
- **Assessment of Risk.** Poor = high risk, Excellent = low risk
- **Sales Trend and Forecasts.** Assessment of historical trends and forecasts supported by a logical argument to be able to meet the projections.
- **Capital Requirements.** The company has or demonstrates the ability to obtain sufficient capital to implement the business plan/forecast.
- **Return on Investment.** The financial projections demonstrate that equity investors will receive a satisfactory return on investment over a three- to five-year period.
- **Overall fit with TBIC mission and goals.**
 - Does the company have a unique technology/manufacturing product/service?
 - Is there commitment from the management team to work full-time?
 - Does the business need TBIC services in addition to its facility needs?
 - Does the company fit well with other TBIC clients?
 - Will the company become more than a lifestyle company?
 - Will the company create numerous high-paying jobs?
 - Are the principals committed to growing the company within the Tampa Bay region?

Clients that meet TBIC standards undergo a thorough formal review to prepare them for the rigors of participating in a structured program requiring the full-time engagement of the company's management team. Additionally, a background check is performed by a private company on the principal(s) of the prospective client.

3.5(b) Tenant Lease or License Agreement

TBIC intends to use a modified version of the current of its Sublease agreement currently in use at

its temporary downtown St Petersburg College incubator (aka, TEC Garage). The full sublease is found in Appendix E to this feasibility report. Note that tenants and clients are required to also comply with all rules and requirements set forth in the Client Handbook regarding services and resources. That handbook appears in Appendix F. Note in particular the policies regarding conference room usage (page 2), support services (page 3), mail and deliveries (page 6), telephone and network access (page 6), janitorial services (page 7), pest control (page 7), equipment (page 7), storage (page 8), signage (page 8), and building repair and maintenance (page 8). In the context of this handbook, support services are defined to include receptionist services, resource library, notary public, kitchen and a resource center which is equipped with office supplies, copiers, printers, shredder and fax machine.

TBIC also has agreements for coworking/collaboration clients (there is a different agreement for each of the three types of coworking arrangements that are possible). TBIC can provide this additional documentation upon EDA's request.

3.5(c) Business Assistance Policy

TBIC provides a comprehensive set of business assistance, as described below.

Venture Development

The original feasibility study conducted by Greenwood Consulting Group concluded that market survey respondents indicated a lack of interest in structured training and preferred more intensive coaching and mentoring from the incubator. Interesting enough, the study findings match TBIC's own experience in working with startups. Entrepreneurs are more interested in coaching and mentoring over more intense and lengthy educational offerings.

Office space, networking, high-speed Internet, flex terms, shared services and coaching were the primary services listed as needed by survey respondents interested in becoming tenants of the new TBIC incubator. TBIC currently provides all these services at its small temporary incubator, and will continue to do so moving forward. Clients are provided one hour of weekly coaching from our experienced staff. Benchmarks and timelines for deliverables prior to the next coaching session are agreed upon. These services are augmented by bringing in industry specialists as mentors. A sampling of mentors that TBIC has engaged over the years include FDA consultants, CPA's, funding strategists, marketing and social media experts, corporate and intellectual property attorneys, and sales consultants.

Incubator Services

Building a new, innovative idea into a successful business takes subject matter experts, experienced mentors, and trained professionals - all working collaboratively to help form a business strategy. The TBIC provides clients with an assigned coach, mentors, educational opportunities, networking and resources to help develop an executable business plan.

The Incubator program focuses on helping to build businesses by providing:

- Dedicated weekly business coaching from in-house staff plus access to experienced mentors hand-picked from TBIC's extensive partner list
- On-going cooperative marketing
- Continuous networking and training opportunities
- On-site amenities, including conference rooms, a training facility and lunchroom

- Free wi-fi access
- A furnished office, as available
- Office equipment, including projectors, printers, binding machines, etc.
- Fax machine service
- Access to partner organizations
- Invitations to the networking and training events
- Business resource and reference library
- Receptionist services

Accelerator Services

Succeeding in today's competitive market takes more than a great idea – it takes a team of experienced advisors, a collaborative environment, and most importantly, a customized “road map” that identifies strategic goals and milestones. The TBIC Accelerator program provides access to networks, experts, international markets, dedicated space, like-minded individuals and peers, market research, service providers, university support systems and funding. Professional advisors represent a broad range of skills and technical backgrounds with one common attribute: experience. Presidents, CEOs, managing partners and business founders, attorneys, CPAs, and consultants have traveled the path from start-up to success and are eager to share their experiences with early-stage entrepreneurs.

The TBIC Accelerator program focuses on helping to grow business by providing:

- Dedicated weekly business coaching from in-house staff plus access to experienced mentors hand-picked from TBIC's extensive partner list
- Opportunities to access business expansion and funding partners
- On-going cooperative marketing
- Continuous networking and training opportunities
- Receptionist services
- Fax machine service
- On-site amenities including conference rooms, a training facility, parking and lunchroom
- Office equipment, including printers, projectors, binding machines and more
- Access to the Microsoft Bizspark Program
- Free wi-fi access
- A dedicated furnished office; as available

Although respondents to the original TBIC incubator feasibility study indicated a preference for 1-on-1 assistance, some services are best provided in a training or networking environment. Table 10 indicates the breadth of training events that TBIC offers annually. The table includes estimates of the number of client/tenant (existing or prospective) that might be expected to attend each event. We will also continue to work with community partners to jointly identify and promote events.

2015 Event/Program	Educational	Training	Networking	Revenue Generating	# Annual Attendees
Tech Talk	X		X		600+
StartUp Xchange	X	X			250+
StartUp Studio 1.0	X	X	X	X	9
StartUp Studio 2.0	X	X	X	X	10
1 Million Cups			X		3,800 +
Florida Defense Summit			X	X	100-200
Donuts & Nuts*	X		X		10 - 20
Client Quarterly Socials*			X		100+
Mentor's Corner*	X				20+

*Client only event/program

Table 10. Annual TBIC Training Events & Attendance

3.5(d) Staffing Plan

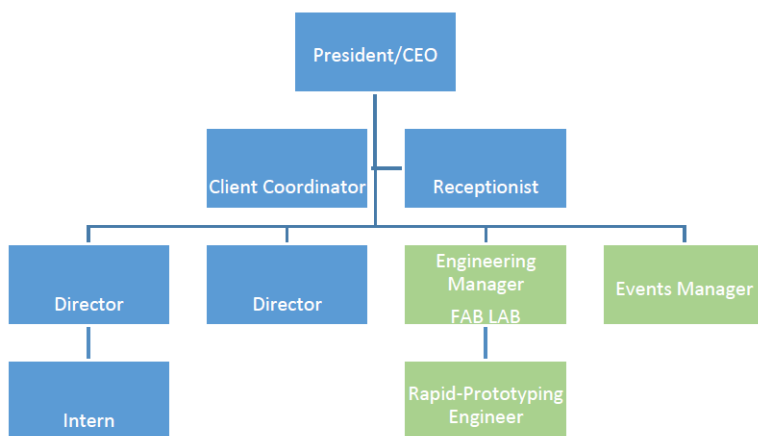
The TBIC has a strong record of attracting clients that mirror the targeted industries of Pinellas County. Before the downturn of the defense sector, the TBIC client mix was primarily focused on developing technologies for defense, IT and manufacturing industries. That was driven, in part, by the TBIC being housed in a former U.S. Department of Energy facility that was already home to defense and manufacturing tech companies. At its current temporary downtown St. Petersburg College location, the TBIC has more clients in IT, Medical Technology, and Business Services. A snapshot of the number of clients by targeted industry classification is shown in Table 11, which is a repeat of the information in Table 3 presented earlier in this report:

Table 11. Clients of TBIC's TEC Garage, 2015-16, by Targeted Industry

Advanced Manufacturing	6
Aviation and Aerospace	0
Business and Financial Services	13
Defense & Homeland Security	2
Information Technology	12
Life Sciences/Medical Technologies	9
Total	42

The TBIC staff is experienced in working with startups in these various targeted industries. The staff's experience is augmented with other professionals in the TBIC network.

An organizational chart for the proposed new TBIC is shown below. Note that all positions are currently filled¹² with experienced personnel with the exception of the Events Manager and the Fabrication (FAB)



Lab team. Since the original feasibility study cautioned against becoming an overly specialized incubator due to the market mix of the region, and because there is no current evidence of a demand for a “maker space,” it is unclear if the FAB Lab and staffing will be added in the future.

¹² However, both directors are only part time due to funding limits, and therefore both positions might be expanded into full-time if demand and funding permit

If the Fab Lab concept is not a feasible addition to the TBIC, and if the life/medical sciences market continues to grow, then the incubator would instead hire an additional Director with experience in working with startups in the life/medical sciences.

3.5(e) Tenant Graduation Policy

The TBIC's current tenant graduation policy is shown below. It is included on page 10 of the TBIC Client Handbook, and all tenants must sign a statement at the beginning of their tenancy that they have received and understood the content of that Handbook, including the graduation policy.

Client Graduation Policy

TBIC's goal is to help clients become sustainable and graduate out into the Tampa Bay region. Initial lease terms are for one year. Extensions will be based on a company's progress, financial status, and need for continuation of incubation services. Client agrees to discuss graduation and exit strategies during their annual review with TBIC staff.

TBIC recognizes that each client enters the incubator program at various stages of development, and therefore time limits alone are not a good graduation policy. TBIC believes in graduation criteria that are reflective of a client's ability to reach set benchmarks that will aid in that client becoming a viable and sustainable business.

TBIC determines that a client is suitable for graduation from the incubator when they have reached at least two of the following goals:

- Initial Public Offering (IPO) or acquisition
- Significant growth in employees and/or revenues
- Change of ownership
- Outgrown the capacity of the incubator or the need for a stand-alone location
- Achieved agreed-upon milestones (or failed to meet them)
- Been a client for four years (from idea to proof-of-concept to revenue)
- Ceased to utilize the services of the incubator

3.5(f) Incubator Performance Plan

After getting accepted into the TBIC incubation program, a client is assigned to work with a Director one-on-one for coaching sessions. An initial review of the company development checklist is covered, and a plan is agreed to by all parties during the process. The TBIC Director then continues to meet with the client on a weekly basis.

TBIC's role is to facilitate its client's progress by

1. monitoring each respective company's quarterly performance in organizational development, sales, finance, and firm-specific operations;
2. setting measurable goals with the firm's management; and
3. allocating additional advisors and resources as necessary.

Clients are responsible for delivering results and financials, business plans, and any other necessary and required materials to their TBIC Director each quarter, and utilize the resources that their affiliation with the Innovation Center affords them (including access to resources, educational

and networking events, and ties to other organizations).

Most importantly, clients are re-vetted every year as a requirement to remain in the program.

TBIC will utilize incuTrak to monitor client progress and success. IncuTrak is a monthly subscription program that provides tracking tools for incubator programs. Based on the company's website "a variety of standard reports are available to reflect company progress and successes. Information on investments, employment, company milestones, and business reviews are readily accessible. The system improves the presentation of the facility's operations with the ability to organize information in the most usable form for your organization and management style." TBIC subscribed to incuTrak previously and the primary metrics still utilized today include:

- Number of employees
- Patents/created/licensed/developed
- Debt/equity/capital raised
- Angel investment secured
- Grant funds

Graduates are tracked, and asked to report progress and the above statistics, for up to 5 years after they leave the TBIC incubator. This is consistent with incubator industry's standards.

STAR-TEC Enterprises, Inc. is a 501(c)(3) not-for-profit corporation whose leadership has founded, operated and managed innovation and entrepreneurship centers in Pinellas County for the past 15 years. Governance includes the president and CEO who reports to a Board of Directors. The Board is comprised of seven directors, representing entrepreneurs, law firms, and both large and small businesses. Each Board member is required to annually sign a robust conflict of interest policy. Approximately every two years, the Board undertakes a strategic retreat and reviews the vision and mission statements and sets forth goals and objectives for the following years. The President & CEO develops a work plan from the goals and objectives and reports deliverables back to the Board at the Annual meeting or any meeting set during the fiscal year. The Board and the President & CEO have an employment contract that outlines terms of employment and ties in performance measures.

Overall TBIC performance metrics, along with those noted above, include:

- number of current clients
- number of graduates (annually and since inception)
- graduates that have merged or been acquired
- number of clients' full / part-time employees and annual wages paid
- client revenues
- client capital raised
- client grants secured
- space occupied (square footage leased) during and after graduation
- number of firms that left or did not formally graduate

4. CONCLUSIONS

GCGI concludes that the market for the proposed new TBIC incubator is ample for a sizable incubator. It looks large enough to support an incubator up to about 45,000 square feet, given the goal of at least a

60% initial occupancy level. GCGI's market conclusion is based on the extensive market surveys conducted as part of the original TBIC feasibility study, with consideration given to more recent primary and secondary data. Those data also indicate that the market for a marine sciences incubator is not very large, but that the life sciences may be emerging as a new market as observers have been expecting given the entry of Johns Hopkins University into the downtown St. Petersburg area.

An incubator of 45,000 sf appears to be the right size for the proposed TBIC incubator facility. This is large enough to achieve EDA's positive cash flow criterion by Year 3 of operations while still giving TBIC enough staffing allowance to cover the incubator's high level of client services—and it allows the incubator to fit within the \$12 million budget envisioned for the project. The positive cash flow position of the proposed new TBIC incubator is further enhanced if the project includes one or more anchor tenants that collectively occupy about 10,000 square feet of space.

GCGI identified the presence of necessary resources for the proposed TBIC incubator. The project has a very experienced and successful incubator management team, a strong \$3 million commitment from Pinellas County, and the investment of free land for the project by the City of St Petersburg. All three factors are important and positive indicators of the resources needed to make this project successful.

Similarly, GCGI found strong community support for the proposed incubator. Almost 90% of respondents to the original market survey supported the notion of the incubator, and almost half of the community members responding to a Chamber of Commerce survey indicated the community needed more incubation and acceleration resources. Community support is manifested by both Pinellas County and City of St Petersburg making substantial financial commitments to the proposed incubator, and GCGI believes the strong, volunteer involvement by community members on TBIC-related governing and advisory boards shows community leaders support and believe in the TBIC.

With its 15-year track record of successful business incubation, the TBIC has a comprehensive and logical management plan that will be adapted, with minor modifications, to the proposed new Pinellas County incubator. GCGI is impressed with the comprehensiveness of the existing plans and policies, and with the intelligent approach taken by the TBIC to issues like graduation (i.e., the incubator does not use arbitrary and flawed time limits, but uses a set of criteria to determine when graduation is advisable—and by publishing those criteria in the Client Handbook given to all incubator clients, the TBIC is wisely communicating its expectations to those clients well in advance of a graduation event).

Therefore, GCGI concludes that, based on EDA's criteria, the proposed new TBIC incubator is still very much a viable and feasible project. This echoes GCGI's positive feasibility conclusion from our original feasibility study for this project.

It is important to clarify that this conclusion that a new Pinellas County incubator is feasible is contingent on the project being an incubator catering to a variety of types of small and start-up businesses (primarily in Pinellas County's targeted industries). We would have serious reservations about an incubator in St. Petersburg that caters exclusively to the marine sciences, or even to life sciences. We believe the proposed new incubator would be infeasible if it has an exclusive focus on either of these markets.

5. RECOMMENDATIONS

Based on the conclusion that the proposed new TBIC business incubator is feasible in Pinellas County, GCGI recommends the following “next steps.”

- A. The County, with assistance from the TBIC and City, should submit a full application to the EDA for \$9 million to fund a portion of the cost of the new incubator.
- B. The County should dedicate \$3 million to match the EDA investment, providing a total development budget of \$12 million
- C. The City should make the 2.5-acre parcel on 11th Avenue South/4th Street South available to the incubator project at no or minimal cost for the life of the incubator
- D. Under the County’s leadership, provided the EDA acts positively on its grant application, the County and TBIC should promptly administer the grant and develop the incubator within 18 months of the submission date of September 14, 2018

Appendix A. Market Survey Summary, All Respondents (n=430)¹³

Survey: St. Petersburg Business Incubator Survey

Deploy Date: 07/19/2013

Total Responses: 430

1. Are you already in business?

Responses Percent

Yes, I already have an existing firm: 333 78.17%

No, I'm starting up: 21 4.93%

No, I am only thinking about starting a new business: 34 7.98%

If other, please specify: 41 9%

Total Responded to this question: 426 99.07%

Total who skipped this question: 4 0.93%

Total: 430 100%

2. If you decide to form a new business, when might you start it?

Responses Percent

In the next 18 months: 31 40.26%

Uncertain at this time: 46 59.74%

Total Responded to this question: 77 17.91%

Total who skipped this question: 353 82.09%

Total: 430 100%

3. If you have an existing business, how many employees do you have?

Responses Percent

none: 131 33.25%

1-4: 162 41.12%

5-9: 39 9.9%

10 or more: 62 15.74%

Total Responded to this question: 394 91.63%

Total who skipped this question: 36 8.37%

Total: 430 100%

4. If you have a company or are thinking of starting one, please briefly describe what your business does or will do:

Responses Percent

My company provides:: 335 99.7%

for customers who need:: 284 84.52%

Total Responded to this question: 336 78.14%

Total who skipped this question: 94 21.86%

Total: 430 100%

5. If you have or are thinking of starting a small business, in what areas would you like more help? Please mark all that apply.

Responses Percent

Marketing / Market Analysis: 155 54.39%

Converting R&D into products: 27 9.47%

Personnel Management: 32 11.23%

Accounting: 60 21.05%

Financial Analysis: 47 16.49%

Intellectual Property Protection: 48 16.84%

Legal Issues: 72 25.26%

Business Planning: 94 32.98%

Product Development: 38 13.33%

Taxes, credits, planning: 82 28.77%

Business Registration: 27 9.47%

Manufacturing Process: 14 4.91%

Debt Financing: 44 15.44%

Securing Equity Capital: 69 24.21%

Import / Export: 26 9.12%

Selling to the Government: 51 17.89%

Operating structure (partnership, corporation, LLC, etc): 31 10.88%

Becoming a supplier to other existing/emerging industry in the region: 58 20.35%

If other, please specify: 53 18%

Total Responded to this question: 285 66.28%

Total who skipped this question: 145 33.72%

Total: 430 100%

6. One area of emphasis in this incubator might be the marine science industry. If you have or are in the process of starting a business (or have an idea for a business start-up) that is related to marine science, please mark any of the following categories that describe the focus of your existing or planned business.

Responses Percent

Marine biology: 7 6.86%

Marine chemistry: 4 3.92%

Marine geology: 4 3.92%

Marine physics: 3 2.94%

Marine engineering: 9 8.82%

Services to marine industries: 43 42.16%

Products for marine industries: 21 20.59%

Software as a Service (SaaS): 12 11.76%

If other, please specify: 38 37%

Total Responded to this question: 102 23.72%

Total who skipped this question: 328 76.28%

Total: 430 100%

¹³¹³ Report is based on 429 survey responses, but these data reflect an additional response received late in the feasibility study

7. Another area that might be emphasized in a St. Petersburg area incubator would be health and environmental businesses. If your existing or planned business is in this industry, please indicate its purpose or focus (mark all that apply)

Responses Percent

Medical services: 30 20.27%
 Medical devices: 32 21.62%
 Nutrition: 11 7.43%
 Pediatrics: 6 4.05%
 Services to hospitals: 38 25.68%
 Services to health care professionals: 53 35.81%
 Environmental consulting: 17 11.49%
 Air or water quality: 18 12.16%
 Environmental monitoring: 12 8.11%
 Environmental chemistry: 8 5.41%
 Training & Education: 35 23.65%
 R&D, technology development: 33 22.3%
 Software as a Service (SaaS): 19 12.84%
 If other, please specify: 38 25%
 Total Responded to this question: 148 34.42%
 Total who skipped this question: 282 65.58%
 Total: 430 100%

8. In general, do you think a business incubator is a good idea for the St. Petersburg area?

Responses Percent

Yes: 281 89.49%
 No: 34 10.83%
 Total Responded to this question: 314 73.02%
 Total who skipped this question: 116 26.98%
 Total: 430 100%

9. Remembering this business Incubator would serve existing as well as start-up small businesses, is the incubator something that you might use?

Responses Percent

Yes: 227 71.84%
 No: 90 28.48%
 Total Responded to this question: 316 73.49%
 Total who skipped this question: 114 26.51%
 Total: 430 100%

10. If you might use space or services of a St. Petersburg area business incubator, please indicate the features that would be useful to your business (please mark all that apply)

Responses Percent

Wet laboratory space: 14 5.67%
 Dry laboratory space: 10 4.05%
 Warehousing/storage space: 55 22.27%
 Office space: 116 46.96%
 Manufacturing/assembly space: 33 13.36%
 Arts & crafts studio space: 28 11.34%
 Commercial kitchen (to make food products): 17 6.88%
 Shared CFO, Marketing manager, etc.: 64 25.91%
 Access to equity capital: 83 33.6%
 Access to debt capital: 47 19.03%
 Business mentor/coach: 100 40.49%
 High-speed Internet access: 100 40.49%
 Networking opportunities: 149 60.32%
 Flexible leases: 80 32.39%
 Shared services (e.g., conference room, receptionist): 89 36.03%
 Short-term leases: 52 21.05%
 Bookkeeping/accounting services: 76 30.77%
 Training: 51 20.65%
 SBIR/STTR funding proposal assistance: 33 13.36%
 Business counseling: 95 38.46%
 Assistance selling to local/state/Federal government: 55 22.27%
 Import/export assistance: 26 10.53%
 If other, please specify: 22 8%
 Total Responded to this question: 247 57.44%
 Total who skipped this question: 183 42.56%
 Total: 430 100%

11. Please indicate your level of interest in a St. Petersburg area business incubator:

Responses Percent

I would consider becoming a tenant in the Incubator: 63 20.72%
 I likely would use services at the Incubator, but not locate my business there: 60 19.74%
 I might use services at the Incubator, but not locate my business there: 94 30.92%
 I do not anticipate using the Incubator for my company: 52 17.11%
 I would consider locating in the Incubator as an anchor tenant (don't need the business services provided in an incubator): 4 1.32%
 I likely would refer others to the Incubator: 121 39.8%
 I am a service provider who might want to provide services to incubator tenants and clients: 108 35.53%
 If other, please specify: 14 4%
 Total Responded to this question: 304 70.7%
 Total who skipped this question: 126 29.3%
 Total: 430 100%

12. If you anticipate using the space or services of a St. Petersburg area business incubator, what general location(s) would be acceptable to your business? Please mark all that would be acceptable.

Responses Percent

Downtown St. Petersburg: 153 57.74%
 USF-SP campus area: 99 37.36%
 I-275/Gandy Blvd area: 50 18.87%
 I-275/Roosevelt Blvd area: 64 24.15%

I-275/I-375/I-175 area: 50 18.87%
 No Preference: 53 20%
 If other, please specify: 19 7%
 Total Responded to this question: 265 61.63%
 Total who skipped this question: 165 38.37%
 Total: 430 100%

13. Which of the following business organizations have you sought help from, and how helpful were they?

	Very Helpful	Helpful	Not Very Helpful	Not Used	Not Aware Of	Total
Small Business Development Center (SBDC):	26(12.15%)	35(16.36%)	20(9.35%)	99(46.26%)	34(15.89%)	214
Chamber of Commerce:	15(6.94%)	44(20.37%)	38(17.59%)	109(50.46%)	10(4.63%)	216
Tampa Bay Innovation Center:	17(8.33%)	23(11.27%)	9(4.41%)	115(56.37%)	40(19.61%)	204
St. Petersburg College:	13(6.5%)	24(12%)	10(5%)	139(69.5%)	14(7%)	200
Hillsborough Community College:	1(0.52%)	8(4.19%)	6(3.14%)	161(84.29%)	15(7.85%)	191
Eckerd College:	8(4.15%)	14(7.25%)	5(2.59%)	149(77.2%)	17(8.81%)	193
University of South Florida:	14(6.97%)	37(18.41%)	10(4.98%)	129(64.18%)	11(5.47%)	201
City/County government:	17(8.29%)	44(21.46%)	25(12.2%)	109(53.17%)	10(4.88%)	205
SCORE:	15(7.61%)	24(12.18%)	15(7.61%)	112(56.85%)	31(15.74%)	197
Other:	13(12.38%)	6(5.71%)	4(3.81%)	62(59.05%)	20(19.05%)	105
Total Responded to this question: 260 60.47%						
Total who skipped this question: 170 39.53%						
Total: 430 100%						

14. If you answered "Other" to the previous question, please specify the organization (s) here:

Responses Percent

Responses: 22 100%
 Total Responded to this question: 22 5.12%
 Total who skipped this question: 408 94.88%
 Total: 430 100%

15. Which of these private business service providers have you sought help from, and how helpful were they?

	Very Helpful	Helpful	Not Very Helpful	Not Used	Not Aware Of	Total
Attorney:	82(33.33%)	95(38.62%)	15(6.1%)	52(21.14%)	2(0.81%)	246
Accountant:	105(41.34%)	80(31.5%)	15(5.91%)	52(20.47%)	2(0.79%)	254
Banker:	43(18.14%)	81(34.18%)	43(18.14%)	68(28.69%)	2(0.84%)	237
Equity Investor (angel, venture capitalist):	22(11.4%)	20(10.36%)	9(4.66%)	131(67.88%)	11(5.7%)	193
Other (please specify below):	9(11.39%)	7(8.86%)	2(2.53%)	55(69.62%)	6(7.59%)	79
Total Responded to this question: 276 64.19%						
Total who skipped this question: 154 35.81%						
Total: 430 100%						

16. If you answered "Other" to the previous question, please specify the organization (s) here:

Responses Percent

Responses: 15 100%
 Total Responded to this question: 15 3.49%
 Total who skipped this question: 415 96.51%
 Total: 430 100%

17. Are there any other comments or suggestions that you would like to make to help us better understand your opinion on creating a small business incubator in the St. Petersburg area?

Responses Percent

Responses: 77 100%
 Total Responded to this question: 77 17.91%
 Total who skipped this question: 353 82.09%
 Total: 430 100%

18. Please provide the following so that we can follow up with you if necessary.

Responses Percent

Name: 215 98.62%
 Company (if any): 186 85.32%
 Address: 188 86.24%
 City/Zip Code: 199 91.28%
 Email Address: 208 95.41%
 Total Responded to this question: 218 50.7%
 Total who skipped this question: 212 49.3%
 Total: 430 100%

Appendix B. Market Survey Summary, Potential Tenants Only (n=66)

Survey: St. Petersburg Business Incubator Survey

Survey Status Respondent Statistics Points Summary

Deploy Date: 07/19/2013

Total Responses: 430

1. Are you already in business?

Responses Percent

Yes, I already have an existing firm: 50 75.76%

No, I'm starting up: 9 13.64%

No, I am only thinking about starting a new business: 6 9.09%

If other, please specify: 2 3%

Total Responded to this question: 66 100%

Total who skipped this question: 0 0%

Total: 66 100%

2. If you decide to form a new business, when might you start it?

Responses Percent

In the next 18 months: 10 83.33%

Uncertain at this time: 2 16.67%

Total Responded to this question: 12 18.18%

Total who skipped this question: 54 81.82%

Total: 66 100%

3. If you have an existing business, how many employees do you have?

Responses Percent

none: 22 35.48%

1-4: 33 53.23%

5-9: 3 4.84%

10 or more: 4 6.45%

Total Responded to this question: 62 93.94%

Total who skipped this question: 4 6.06%

Total: 66 100%

4. If you have a company or are thinking of starting one, please briefly describe what your business does or will do:

Responses Percent

My company provides:: 66 100%

for customers who need:: 60 90.91%

Total Responded to this question: 66 100%

Total who skipped this question: 0 0%

Total: 66 100%

5. If you have or are thinking of starting a small business, in what areas would you like more help? Please mark all that apply.

Responses Percent

Marketing / Market Analysis: 40 61.54%

Converting R&D into products: 12 18.46%

Personnel Management: 10 15.38%

Accounting: 22 33.85%

Financial Analysis: 17 26.15%

Intellectual Property Protection: 21 32.31%

Legal Issues: 20 30.77%

Business Planning: 33 50.77%

Product Development: 17 26.15%

Taxes, credits, planning: 26 40%

Business Registration: 4 6.15%

Manufacturing Process: 7 10.77%

Debt Financing: 12 18.46%

Securing Equity Capital: 25 38.46%

Import / Export: 5 7.69%

Selling to the Government: 16 24.62%

Operating structure (partnership, corporation, LLC, etc): 9 13.85%

Becoming a supplier to other existing/emerging industry in the region: 16 24.62%

If other, please specify: 12 18%

Total Responded to this question: 65 98.48%

Total who skipped this question: 1 1.52%

Total: 66 100%

6. One area of emphasis in this incubator might be the marine science industry. If you have or are in the process of starting a business (or have an idea for a business start-up) that is related to marine science, please mark any of the following categories that describe the focus of your existing or planned business.

Responses Percent

Marine biology: 2 9.52%

Marine chemistry: 2 9.52%

Marine geology: 0 0%

Marine physics: 0 0%

Marine engineering: 2 9.52%

Services to marine industries: 10 47.62%

Products for marine industries: 5 23.81%

Software as a Service (SaaS): 3 14.29%

If other, please specify: 7 33%

Total Responded to this question: 21 31.82%

Total who skipped this question: 45 68.18%

Total: 66 100%

7. Another area that might be emphasized in a St. Petersburg area incubator would be health and environmental businesses. If your existing or planned business is in this industry, please indicate its purpose or focus (mark all that apply)

Responses Percent

Medical services: 12 34.29%

Medical devices: 8 22.86%
 Nutrition: 5 14.29%
 Pediatrics: 1 2.86%
 Services to hospitals: 10 28.57%
 Services to health care professionals: 12 34.29%
 Environmental consulting: 5 14.29%
 Air or water quality: 8 22.86%
 Environmental monitoring: 4 11.43%
 Environmental chemistry: 4 11.43%
 Training & Education: 9 25.71%
 R&D, technology development: 12 34.29%
 Software as a Service (SaaS): 5 14.29%
 If other, please specify: 8 22%
 Total Responded to this question: 35 53.03%
 Total who skipped this question: 31 46.97%
 Total: 66 100%

8. In general, do you think a business incubator is a good idea for the St. Petersburg area?

Responses Percent

Yes: 65 98.48%
 No: 1 1.52%
 Total Responded to this question: 66 100%
 Total who skipped this question: 0 0%
 Total: 66 100%

9. Remembering this business Incubator would serve existing as well as start-up small businesses, is the incubator something that you might use?

Responses Percent

Yes: 62 93.94%
 No: 4 6.06%
 Total Responded to this question: 66 100%
 Total who skipped this question: 0 0%
 Total: 66 100%

10. If you might use space or services of a St. Petersburg area business incubator, please indicate the features that would be useful to your business (please mark all that apply)

Responses Percent

Wet laboratory space: 8 12.31%
 Dry laboratory space: 5 7.69%
 Warehousing/storage space: 21 32.31%
 Office space: 52 80%
 Manufacturing/assembly space: 12 18.46%
 Arts & crafts studio space: 11 16.92%
 Commercial kitchen (to make food products): 8 12.31%
 Shared CFO, Marketing manager, etc.: 23 35.38%
 Access to equity capital: 30 46.15%
 Access to debt capital: 20 30.77%
 Business mentor/coach: 34 52.31%
 High-speed Internet access: 43 66.15%
 Networking opportunities: 46 70.77%
 Flexible leases: 43 66.15%
 Shared services (e.g., conference room, receptionist): 38 58.46%
 Short-term leases: 21 32.31%
 Bookkeeping/accounting services: 34 52.31%
 Training: 15 23.08%
 SBIR/STTR funding proposal assistance: 18 27.69%
 Business counseling: 36 55.38%
 Assistance selling to local/state/Federal government: 24 36.92%
 Import/export assistance: 9 13.85%
 If other, please specify: 3 4%
 Total Responded to this question: 65 98.48%
 Total who skipped this question: 1 1.52%
 Total: 66 100%

11. Please indicate your level of interest in a St. Petersburg area business incubator:

Responses Percent

I would consider becoming a tenant in the Incubator: 63 95.45%
 I likely would use services at the Incubator, but not locate my business there: 16 24.24%
 I might use services at the Incubator, but not locate my business there: 6 9.09%
 I do not anticipate using the Incubator for my company: 0 0%
 I would consider locating in the Incubator as an anchor tenant (don't need the business services provided in an incubator): 4 6.06%
 I likely would refer others to the Incubator: 26 39.39%
 I am a service provider who might want to provide services to incubator tenants and clients: 21 31.82%
 If other, please specify: 2 3%
 Total Responded to this question: 66 100%
 Total who skipped this question: 0 0%
 Total: 66 100%

12. If you anticipate using the space or services of a St. Petersburg area business incubator, what general location(s) would be acceptable to your business? Please mark all that would be acceptable.

Responses Percent

Downtown St. Petersburg: 45 68.18%
 USF-SP campus area: 33 50%
 I-275/Gandy Blvd area: 16 24.24%
 I-275/Roosevelt Blvd area: 14 21.21%
 I-275/I-375/I-175 area: 17 25.76%
 No Preference: 10 15.15%
 If other, please specify: 9 13%
 Total Responded to this question: 66 100%
 Total who skipped this question: 0 0%
 Total: 66 100%

13. Which of the following business organizations have you sought help from, and how helpful were they?

	Very Helpful	Helpful	Not Very Helpful	Not Used	Not Aware Of	Total
Small Business Development Center (SBDC):	8(15.09%)	8(15.09%)	6(11.32%)	20(37.74%)	11(20.75%)	53
Chamber of Commerce:	4(8%)	8(16%)	5(10%)	30(60%)	3(6%)	50
Tampa Bay Innovation Center:	8(15.38%)	5(9.62%)	3(5.77%)	21(40.38%)	15(28.85%)	52
St. Petersburg College:	2(4.26%)	4(8.51%)	4(8.51%)	32(68.09%)	5(10.64%)	47
Hillsborough Community College:	0(0%)	1(2.22%)	1(2.22%)	37(82.22%)	6(13.33%)	45
Eckerd College:	0(0%)	4(8.51%)	2(4.26%)	34(72.34%)	7(14.89%)	47
University of South Florida:	3(6%)	8(16%)	3(6%)	32(64%)	4(8%)	50
City/County government:	4(8.51%)	7(14.89%)	4(8.51%)	27(57.45%)	5(10.64%)	47
SCORE:	4(8.33%)	7(14.58%)	4(8.33%)	25(52.08%)	8(16.67%)	48
Other:	3(11.54%)	2(7.69%)	0(0%)	14(53.85%)	7(26.92%)	26
Total Responded to this question: 61 92.42%						
Total who skipped this question: 5 7.58%						
Total: 66 100%						

14. If you answered "Other" to the previous question, please specify the organization (s) here:

Responses Percent

Responses: 5 100%

Total Responded to this question: 5 7.58%

Total who skipped this question: 61 92.42%

Total: 66 100%

15. Which of these private business service providers have you sought help from, and how helpful were they?

	Very Helpful	Helpful	Not Very Helpful	Not Used	Not Aware Of	Total
Attorney:	19(35.19%)	14(25.93%)	5(9.26%)	14(25.93%)	2(3.7%)	54
Accountant:	23(41.07%)	14(25%)	6(10.71%)	11(19.64%)	2(3.57%)	56
Banker:	11(20.75%)	12(22.64%)	14(26.42%)	14(26.42%)	2(3.77%)	53
Equity Investor (angel, venture capitalist):	4(8.89%)	6(13.33%)	5(11.11%)	23(51.11%)	7(15.56%)	45
Other (please specify below):	4(16.67%)	3(12.5%)	1(4.17%)	13(54.17%)	3(12.5%)	24
Total Responded to this question: 61 92.42%						
Total who skipped this question: 5 7.58%						
Total: 66 100%						

16. If you answered "Other" to the previous question, please specify the organization (s) here:

Responses Percent

Responses: 7 100%

Total Responded to this question: 7 10.61%

Total who skipped this question: 59 89.39%

Total: 66 100%

17. Are there any other comments or suggestions that you would like to make to help us better understand your opinion on creating a small business incubator in the St. Petersburg area?

Responses Percent

Responses: 26 100%

Total Responded to this question: 26 39.39%

Total who skipped this question: 40 60.61%

Total: 66 100%

18. Please provide the following so that we can follow up with you if necessary.

Responses Percent

Name: 57 100%

Company (if any): 49 85.96%

Address: 52 91.23%

City/Zip Code: 52 91.23%

Email Address: 55 96.49%

Total Responded to this question: 57 86.36%

Total who skipped this question: 9 13.64%

Total: 66 100%

Appendix C. Cash Flow Projections, Scenarios #1a-#3a

Scenario #1a

Scenario #1a: Downtown St. Petersburg, New Construction 40k sf

Facility & Operating Cost

Building/land acquis	\$ -	Assume free from City
Renov, wall constr		assumed \$25/sf average cost to freshen office space
Furn/equip/phone	50,000	Phone, copier, fax, furniture, etc
New construction	\$ 9,843,750	\$225/sf allowance, + 15k sf garage@ \$225*25%
Closing/a&e/Soft co	\$ 25,000	
Contingency	692,563	7% of renov, construct & furnishings (I usually do 8%, contractor assumed only 5%)
Facility Cost	10,611,313	
Operating subsidy	275,000	
Total Cost	\$ 10,886,313	

Source

Econ Devel Admin	9,000,000	Special disaster set aside
Bldg owner		
Donations	30,000	furniture, equip, a&e, etc
Legislature		
Local govt	3,000,000	
Total Available	\$ 12,030,000	

\$ 1,143,688

Annual bond pmt on balance shown above @ 5.5% for 30 years

	Year 1	Year 2	Year 3	Year 4	Year 5		1550
Cash @ Beginning	\$ -	\$ (143,673)	\$ (233,994)	\$ (266,868)	\$ (265,536)		
Cash In							
Rental: office	\$ 601,250	\$ 625,300	\$ 650,312	\$ 676,324	\$ 703,377	65% leasable @ \$25/sf gross	37000 \$25 gross-\$8.50/sf util/cam/tax/insur =~\$16.50/sf
Rental: warehouse/e	\$ -	\$ -	\$ -	\$ -	\$ -	80% leasable @ \$12/sf gross	0 \$10 gross-\$2/sf util/cam/tax/insur =\$8/sf
Rental: anchor	\$ -	\$ -	\$ -	\$ -	\$ -	100% leasable @ \$11/sf gross	0 \$8 gross-\$3/sf common area maint/utills-.25 tax =~\$4.75/sf
Rental: coworking	\$ 42,300	\$ 44,415	\$ 46,636	\$ 48,968	\$ 51,416	TBIC current income, escal 5%	3000
Services	\$ 57,700	\$ 60,585	\$ 63,614	\$ 66,795	\$ 70,135	TBIC current income, escal 5%	40000
Affiliates	\$ 6,240	\$ 6,552	\$ 6,880	\$ 7,224	\$ 7,585	\$65/mo, 5% escalation, 8 affiliates	
- vacancy factor	(240,500)	(187,590)	(130,062)	(101,449)	(105,507)	Equal % off/lab BUT NOT ANCHORS	
- bad debt factor	(35,063)	(36,515)	(38,028)	(39,604)	(41,246)	5% of rent & svcs	
Net cash in	\$ 431,928	\$ 512,747	\$ 599,351	\$ 658,258	\$ 685,760		
Cash Out							
Salaries	\$ 225,000	\$ 234,000	\$ 243,360	\$ 253,094	\$ 263,218	Budget per discussion with Tonya, escal 4%	
Utilities/CAM	\$ 295,600	\$ 310,168	\$ 325,780	\$ 336,255	\$ 340,905	\$5.50/sf gross+\$3/sf occupied+4% inflation	
Insurance	\$ 10,000	\$ 10,600	\$ 11,236	\$ 11,910	\$ 12,625	\$.25/sf	
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	
Lease payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf	
R/E taxes	\$ -	\$ -	\$ -	\$ -	\$ -	Assume waived by city/county	
Supplies, phone	\$ 10,000	\$ 10,500	\$ 11,025	\$ 11,576	\$ 12,155	\$300/mo + 5% inflation	
Misc	\$ 35,000	\$ 37,800	\$ 40,824	\$ 44,090	\$ 47,617	8% inflation	
Net cash out	\$ 575,600	\$ 603,068	\$ 632,225	\$ 656,925	\$ 676,520		
Cash @ End	\$ (143,673)	\$ (233,994)	\$ (266,868)	\$ (265,536)	\$ (256,296)		
Change in Cash	\$ (143,673)	\$ (90,321)	\$ (32,874)	\$ 1,332	\$ 9,240	breakeven possible @ 85% occupancy	
% incub occupied	60%	70%	80%	85%	85%		
Rent escalation		4%	4%	4%	4%		

Scenario #2a

Scenario #2a: Downtown St. Petersburg, New Construction 45k sf

Facility & Operating Cost

Building/land acquis	\$ -	Assume free from City
Renov, wall constr		assumed \$25/sf average cost to freshen office space
Furn/equip/phone	50,000	Phone, copier, fax, furniture, etc
New construction	\$ 10,968,750	\$225/sf allowance, + 15k sf garage@\$225*25%
Closing/a&e/Soft co	\$ 25,000	
Contingency	771,313	7% of renov, construct & furnishings (I usually do 8%, contractor assumed only 5%)
Facility Cost	11,815,063	
Operating subsidy	210,000	
Total Cost	\$ 12,025,063	

Source

Econ Devel Admin	9,000,000	Special disaster set aside
Bldg owner		
Donations	30,000	furniture, equip, a&e, etc
Legislature		
Local govt	3,000,000	
Total Available	\$ 12,030,000	

\$ 4,938

Annual bond pmt on balance shown above @ 5.5% for 30 years

	Year 1	Year 2	Year 3	Year 4	Year 5	1550
Cash @ Beginning	\$ -	\$ (136,735)	\$ (211,876)	\$ (220,724)	\$ (189,607)	
Cash In						
Rental: office	\$ 682,500	\$ 709,800	\$ 738,192	\$ 767,720	\$ 798,428	65% leasable @\$25/sf gross
Rental: warehouse/e	-	-	-	-	-	80% leasable @\$12/sf gross
Rental: anchor	-	-	-	-	-	100% leasable @\$11/sf gross
Rental: coworking	\$ 42,300	44,415	46,636	48,968	51,416	TBIC current income, escal 5%
Services	57,700	60,585	63,614	66,795	70,135	TBIC current income, escal 5%
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(273,000)	(212,940)	(147,638)	(115,158)	(119,764)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(39,125)	(40,740)	(42,422)	(44,174)	(45,999)	5% of rent & svcs
Net cash in	\$ 476,615	\$ 567,672	\$ 665,261	\$ 731,374	\$ 761,801	
Cash Out						
Salaries	\$ 225,000	\$ 234,000	\$ 243,360	\$ 253,094	\$ 263,218	Budget per discussion with Tonya, escal 4%
Utilities/CAM	332,100	348,588	366,260	378,097	383,321	\$5.50/sf gross+\$3/sf occupied+4% inflation
Insurance	11,250	11,925	12,641	13,399	14,203	\$2.5/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment	-	-	-	-	-	\$2.50/yr/sf
R/E taxes	-	-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	35,000	37,800	40,824	44,090	47,617	8% inflation
Net cash out	\$ 613,350	\$ 642,813	\$ 674,109	\$ 700,256	\$ 720,514	
Cash @ End	\$ (136,735)	\$ (211,876)	\$ (220,724)	\$ (189,607)	\$ (148,320)	
Change in Cash	\$ (136,735)	\$ (75,141)	\$ (8,848)	\$ 31,117	\$ 41,287	breakeven possible @ 81% occupancy
% incub occupied	60%	70%	80%	85%	85%	
Rent escalation		4%	4%	4%	4%	

Scenario #3a

Scenario #3a: Downtown St. Petersburg, New Construction 50k sf

Facility & Operating Cost

Building/land acquis	\$ -	Assume free from City
Renov, wall constr		assumed \$25/sf average cost to freshen office space
Furn/equip/phone	50,000	Phone, copier, fax, furniture, etc
New construction	\$ 12,093,750	\$225/sf allowance, + 15k sf garage@\$225*25%
Closing/a&e/Soft co	\$ 25,000	
Contingency	850,063	7% of renov, construct & furnishings (I usually do 8%, contractor assumed only 5%)
Facility Cost	13,018,813	
Operating subsidy	125,000	
Total Cost	\$ 13,143,813	

Source

Econ Devel Admin	9,000,000	Special disaster set aside
Bldg owner		
Donations	30,000	furniture, equip, a&e, etc
Legislature		
Local govt	3,000,000	
Total Available	\$ 12,030,000	

\$ (1,113,813)

Annual bond pmt on balance shown above @ 5.5% for 30 years

	Year 1	Year 2	Year 3	Year 4	Year 5	1550
Cash @ Beginning	\$ -	\$ (120,798)	\$ (171,399)	\$ (146,486)	\$ (75,459)	
Cash In						
Rental: office	\$ 763,750	\$ 794,300	\$ 826,072	\$ 859,115	\$ 893,479	65% leasable @ \$25/sf gross 47000 \$25 gross-\$8.50/sf util/cam/tax/insur =~\$16.50/sf
Rental: warehouse/e	-	-	-	-	-	80% leasable @ \$12/sf gross 0 \$10 gross-\$2/sf util/cam/tax/insur =\$8/sf
Rental: anchor	-	-	-	-	-	100% leasable @ \$11/sf gross 0 \$8 gross-\$3/sf common area maint/utills-.25 tax =~\$4.75/sf
Rental: coworking	\$ 42,300	44,415	46,636	48,968	51,416	TBIC current income, escal 5% 3000
Services	57,700	60,585	63,614	66,795	70,135	TBIC current income, escal 5% 50000
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(305,500)	(238,290)	(165,214)	(128,867)	(134,022)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(43,188)	(44,965)	(46,816)	(48,744)	(50,752)	5% of rent & svcs
Net cash in	\$ 521,303	\$ 622,597	\$ 731,171	\$ 804,490	\$ 837,841	
Cash Out						
Salaries	\$ 225,000	\$ 234,000	\$ 243,360	\$ 253,094	\$ 263,218	Budget per discussion with Tonya, escal 4%
Utilities/CAM	359,600	377,648	397,004	409,815	415,208	\$5.50/sf gross+\$3/sf occupied+4% inflation
Insurance	12,500	13,250	14,045	14,888	15,781	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment	-	-	-	-	-	\$2.50/yr/sf
R/E taxes	-	-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	35,000	37,800	40,824	44,090	47,617	8% inflation
Net cash out	\$ 642,100	\$ 673,198	\$ 706,258	\$ 733,463	\$ 753,979	
Cash @ End	\$ (120,798)	\$ (171,399)	\$ (146,486)	\$ (75,459)	\$ 8,403	
Change in Cash	\$ (120,798)	\$ (50,601)	\$ 24,913	\$ 71,027	\$ 83,863	breakeven possible @ 76% occupancy
% incub occupied	60%	70%	80%	85%	85%	
Rent escalation		4%	4%	4%	4%	

Appendix D. Cash Flow Projections, Scenarios #2a-#2c

Scenario #2a

Scenario #2a: Downtown St. Petersburg, New Construction 45k sf

Facility & Operating Cost

Building/land acquis	\$ -	Assume free from City
Renov, wall constr		assumed \$25/sf average cost to freshen office space
Furn/equip/phone	50,000	Phone, copier, fax, furniture, etc
New construction	\$ 10,968,750	\$225/sf allowance, + 15k sf garage@\$225*25%
Closing/a&e/Soft co	\$ 25,000	
Contingency	771,313	7% of renov, construct & furnishings (I usually do 8%, contractor assumed only 5%)
Facility Cost	11,815,063	
Operating subsidy	210,000	
Total Cost	\$ 12,025,063	

Source

Econ Devel Admin	9,000,000	Special disaster set aside
Bldg owner		
Donations	30,000	furniture, equip, a&e, etc
Legislature		
Local govt	3,000,000	
Total Available	\$ 12,030,000	

\$ 4,938

Annual bond prmt on balance shown above @ 5.5% for 30 years

	Year 1	Year 2	Year 3	Year 4	Year 5		1550
Cash @ Beginning	\$ -	\$ (136,735)	\$ (211,876)	\$ (220,724)	\$ (189,607)		
Cash In							
Rental: office	\$ 682,500	\$ 709,800	\$ 738,192	\$ 767,720	\$ 798,428	65% leasable @ \$25/sf gross	42000 \$25 gross-\$8.50/sf util/cam/tax/insur =~\$16.50/sf
Rental: warehouse/e	\$ -	\$ -	\$ -	\$ -	\$ -	80% leasable @ \$12/sf gross	0 \$10 gross-\$2/sf util/cam/tax/insur =\$8/sf
Rental: anchor	\$ -	\$ -	\$ -	\$ -	\$ -	100% leasable @ \$11/sf gross	0 \$8 gross-\$3/sf common area maint/utlis-.25 tax =~\$4.75/sf
Rental: coworking	\$ 42,300	\$ 44,415	\$ 46,636	\$ 48,968	\$ 51,416	TBIC current income, escal 5%	3000
Services	\$ 57,700	\$ 60,585	\$ 63,614	\$ 66,795	\$ 70,135	TBIC current income, escal 5%	45000
Affiliates	\$ 6,240	\$ 6,552	\$ 6,880	\$ 7,224	\$ 7,585	\$65/mo, 5% escalation, 8 affiliates	
- vacancy factor	(273,000)	(212,940)	(147,638)	(115,158)	(119,764)	Equal % off/lab BUT NOT ANCHORS	
- bad debt factor	(39,125)	(40,740)	(42,422)	(44,174)	(45,999)	5% of rent & svcs	
Net cash in	\$ 476,615	\$ 567,672	\$ 665,261	\$ 731,374	\$ 761,801		
Cash Out							
Salaries	\$ 225,000	\$ 234,000	\$ 243,360	\$ 253,094	\$ 263,218	Budget per discussion with Tonya, escal 4%	
Utilities/CAM	\$ 332,100	\$ 348,588	\$ 366,260	\$ 378,097	\$ 383,321	\$5.50/sf gross+\$3/sf occupied+4% inflation	
Insurance	\$ 11,250	\$ 11,925	\$ 12,641	\$ 13,399	\$ 14,203	\$.25/sf	
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	
Lease payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf	
R/E taxes	\$ -	\$ -	\$ -	\$ -	\$ -	Assume waived by city/county	
Supplies, phone	\$ 10,000	\$ 10,500	\$ 11,025	\$ 11,576	\$ 12,155	\$300/mo + 5% inflation	
Misc	\$ 35,000	\$ 37,800	\$ 40,824	\$ 44,090	\$ 47,617	8% inflation	
Net cash out	\$ 613,350	\$ 642,813	\$ 674,109	\$ 700,256	\$ 720,514		
Cash @ End	\$ (136,735)	\$ (211,876)	\$ (220,724)	\$ (189,607)	\$ (148,320)		
Change in Cash	\$ (136,735)	\$ (75,141)	\$ (8,848)	\$ 31,117	\$ 41,287	breakeven possible @ 81% occupancy	
% incub occupied	60%	70%	80%	85%	85%		
Rent escalation		4%	4%	4%	4%		

Scenario #2b

Scenario #2b: Downtown St. Petersburg, New Construction 45k sf w/10k sf anchor

Facility & Operating Cost

Building/land acquis	\$ -	Assume free from City
Renov, wall constr		assumed \$25/sf average cost to freshen office space
Furn/equip/phone	50,000	Phone, copier, fax, furniture, etc
New construction	\$ 10,968,750	\$225/sf allowance, + 15k sf garage@\$225*25%
Closing/a&e/Soft co	\$ 25,000	
Contingency	771,313	7% of renov, construct & furnishings (I usually do 8%, contractor assumed only 5%)
Facility Cost	11,815,063	
Operating subsidy	50,000	
Total Cost	\$ 11,865,063	

Source

Econ Devel Admin	9,000,000	Special disaster set aside
Bldg owner		
Donations	30,000	furniture, equip, a&e, etc
Legislature		
Local govt	3,000,000	
Total Available	\$ 12,030,000	

\$ 164,938

Annual bond pmt on balance shown above @ 5.5% for 30 years

	Year 1	Year 2	Year 3	Year 4	Year 5	1550
Cash @ Beginning	\$ -	\$ (62,360)	\$ (73,931)	\$ (30,997)	\$ 46,521	
Cash In						
Rental: office	\$ 520,000	\$ 540,800	\$ 562,432	\$ 584,929	\$ 608,326	65% leasable @\$25/sf gross
Rental: warehouse/e	\$ -	\$ -	\$ -	\$ -	\$ -	80% leasable @\$12/sf gross
Rental: anchor	\$ 185,000	\$ 192,400	\$ 200,096	\$ 208,100	\$ 216,424	100% leasable @\$18.50/sf gross 10sf/45sf~22%
Rental: coworking	\$ 42,300	\$ 44,415	\$ 46,636	\$ 48,968	\$ 51,416	TBIC current income, escal 5%
Services	\$ 57,700	\$ 60,585	\$ 63,614	\$ 66,795	\$ 70,135	TBIC current income, escal 5%
Affiliates	\$ 6,240	\$ 6,552	\$ 6,880	\$ 7,224	\$ 7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	\$ (208,000)	\$ (162,240)	\$ (112,486)	\$ (87,739)	\$ (91,249)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	\$ (40,250)	\$ (41,910)	\$ (43,639)	\$ (45,440)	\$ (47,315)	5% of rent & svcs
Net cash in	\$ 562,990	\$ 640,602	\$ 723,532	\$ 782,836	\$ 815,322	
Cash Out						
Salaries	\$ 225,000	\$ 234,000	\$ 243,360	\$ 253,094	\$ 263,218	Budget per discussion with Tonya, escal 4%
Utilities/CAM	\$ 344,100	\$ 357,948	\$ 372,749	\$ 383,159	\$ 388,585	\$5.50/sf gross+\$3/sf occupied+4% inflation
Insurance	\$ 11,250	\$ 11,925	\$ 12,641	\$ 13,399	\$ 14,203	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf
R/E taxes	\$ -	\$ -	\$ -	\$ -	\$ -	Assume waived by city/county
Supplies, phone	\$ 10,000	\$ 10,500	\$ 11,025	\$ 11,576	\$ 12,155	\$300/mo + 5% inflation
Misc	\$ 35,000	\$ 37,800	\$ 40,824	\$ 44,090	\$ 47,617	8% inflation
Net cash out	\$ 625,350	\$ 652,173	\$ 680,599	\$ 705,318	\$ 725,778	
Cash @ End	\$ (62,360)	\$ (73,931)	\$ (30,997)	\$ 46,521	\$ 136,064	
Change in Cash	\$ (62,360)	\$ (11,571)	\$ 42,934	\$ 77,518	\$ 89,543	breakeven possible @ 73% occupancy
% incub occupied	60%	70%	80%	85%	85%	
Rent escalation		4%	4%	4%	4%	

Scenario #2c

Scenario #2c: Downtown St. Petersburg, New Construction 45k sf w/10k sf anchor, more staffing

Facility & Operating Cost

Building/land acquis	\$ -	Assume free from City
Renov, wall constr		assumed \$25/sf average cost to freshen office space
Furn/equip/phone	50,000	Phone, copier, fax, furniture, etc
New construction	\$ 10,968,750	\$225/sf allowance, + 15k sf garage@225*25%
Closing/a&e/Soft co	\$ 25,000	
Contingency	771,313	7% of renov, construct & furnishings (I usually do 8%, contractor assumed only 5%)
Facility Cost	11,815,063	
Operating subsidy	165,000	
Total Cost	\$ 11,980,063	

Source

Econ Devel Admin	9,000,000	Special disaster set aside	
Bldg owner			
Donations	30,000	furniture, equip, a&e, etc	
Legislature			0.2222222
Local govt	3,000,000		
Total Available	\$ 12,030,000		
	\$ 49,938		

Annual bond pmt on balance shown above @ 5.5% for 30 years

	Year 1	Year 2	Year 3	Year 4	Year 5		1550
Cash @ Beginning	\$ -	\$ (112,360)	\$ (175,931)	\$ (187,077)	\$ (165,803)		
Cash In							
Rental: office	\$ 520,000	\$ 540,800	\$ 562,432	\$ 584,929	\$ 608,326	65% leasable @\$25/sf gross	32000 \$25 gross-\$8.50/sf util/cam/tax/insur =~\$16.50/sf
Rental: warehouse/e	\$ -	\$ -	\$ -	\$ -	\$ -	80% leasable @\$12/sf gross	0 \$10 gross-\$2/sf util/cam/tax/insur =\$8/sf
Rental: anchor	\$ 185,000	\$ 192,400	\$ 200,096	\$ 208,100	\$ 216,424	100% leasable @\$18.50/sf gross 10sf/45sf~22%	10000 \$18.50 gross-\$8.50/sf common area maint/utills=~\$10/sf
Rental: coworking	\$ 42,300	\$ 44,415	\$ 46,636	\$ 48,968	\$ 51,416	TBIC current income, escal 5%	3000
Services	\$ 57,700	\$ 60,585	\$ 63,614	\$ 66,795	\$ 70,135	TBIC current income, escal 5%	45000
Affiliates	\$ 6,240	\$ 6,552	\$ 6,880	\$ 7,224	\$ 7,585	\$65/mo, 5% escalation, 8 affiliates	
- vacancy factor	\$ (208,000)	\$ (162,240)	\$ (112,486)	\$ (87,739)	\$ (91,249)	Equal % off/lab BUT NOT ANCHORS	
- bad debt factor	\$ (40,250)	\$ (41,910)	\$ (43,639)	\$ (45,440)	\$ (47,315)	5% of rent & svcs	
Net cash in	\$ 562,990	\$ 640,602	\$ 723,532	\$ 782,836	\$ 815,322		
Cash Out							
Salaries	\$ 275,000	\$ 286,000	\$ 297,440	\$ 309,338	\$ 321,711	Budget per discussion with Tonya, escal 4%	
Utilities/CAM	\$ 344,100	\$ 357,948	\$ 372,749	\$ 383,159	\$ 388,585	\$5.50/sf gross+\$3/sf occupied+4% inflation	
Insurance	\$ 11,250	\$ 11,925	\$ 12,641	\$ 13,399	\$ 14,203	\$.25/sf	
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a	
Lease payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf	
R/E taxes	\$ -	\$ -	\$ -	\$ -	\$ -	Assume waived by city/county	
Supplies, phone	\$ 10,000	\$ 10,500	\$ 11,025	\$ 11,576	\$ 12,155	\$300/mo + 5% inflation	
Misc	\$ 35,000	\$ 37,800	\$ 40,824	\$ 44,090	\$ 47,617	8% inflation	
Net cash out	\$ 675,350	\$ 704,173	\$ 734,679	\$ 761,561	\$ 784,271		
Cash @ End	\$ (112,360)	\$ (175,931)	\$ (187,077)	\$ (165,803)	\$ (134,752)		
Change in Cash	\$ (112,360)	\$ (63,571)	\$ (11,146)	\$ 21,275	\$ 31,051	breakeven possible @ 82% occupancy	
% incub occupied	60%	70%	80%	85%	85%		
Rent escalation		4%	4%	4%	4%		

Appendix E. Current TBIC Incubator Sublease

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT (SUBLEASE") is made as of the _____ day of _____, 2018, by and between STAR-TEC Enterprises, Inc. (dba Tampa Bay Innovation Center), a Florida not-for-profit corporation with its principal office located at 501 1st Avenue North, Suite 901, St. Petersburg, Florida 33701 and Square Chain Corporation ("Sublessee"), a private corporation of the State of Florida with its corporate office located _____.

WITNESSETH

WHEREAS, STAR-TEC Enterprises, Inc. is the lessee of the Premises under Lease Agreement between Pinellas County, Florida (Master Lessor), and STAR-TEC Enterprises, Inc. dated August 7, 2018, and

WHEREAS, STAR-TEC Enterprises, Inc. desires to SUBLEASE part of the Premises to Sublessee for the Lease Term; and

WHEREAS, Sublessee desires to SUBLEASE part of the Premises from STAR-TEC Enterprises, Inc. for the Lease Term; and

WHEREAS, subject to an agreement with Pinellas County, STAR-TEC Enterprises, Inc. operates the Tampa Bay Innovation Center (TBIC), a business incubator/accelerator for the purpose of facilitating the development and growth of small business; and

WHEREAS, TBIC facilitates the development of small business through programs aimed at early stage companies; and

WHEREAS, Client desires to utilize STAR-TEC Enterprises, Inc. space under the terms of this Agreement;

NOW THEREFORE, in consideration of the mutual benefits of the covenants and agreements herein contained, STAR-TEC Enterprises, Inc. and Sublessee hereby agree as follows:

ARTICLE I: BASIC LEASE PROVISIONS

Section 1.01 -- Recitals: The above recitals and statement of parties are true and correct.

Section 1.02 -- Definitions: The following definitions shall apply:

- 1 Building: The term "Building" shall mean the facility located at 501 1st Avenue North, St. Petersburg, FL, 33701.
- 2 Expiration Date: The term "Expiration Date" shall mean August 31, 2019.
- 3 Insurance: The term "Insurance" shall mean the following type(s) and amount(s) of insurance

maintained by Sublessee with regard to the Premises: Comprehensive or commercial general liability with a limit of not less than One Million Dollars (\$1,000,000) per occurrence naming STAR-TEC Enterprises, Inc. as certificate holder and Worker's Compensation and Automotive coverage as mandated by state law.

- 4 SUBLEASE Term: The term "SUBLEASE Term" shall mean the period beginning on the Rental Commencement Date, continuing for twelve (12) months, and ending on the Expiration Date. The economic terms of this SUBLEASE shall be renegotiated each year upon approval from the review committee. NOTE: On occasion, the coworking space may be closed while special events are being held by TBIC. Clients will be notified in advance of such occasions.
- 5 Notices: The term "notice(s)" shall mean any and all communications, notices, demands and requests between the parties which shall be in writing.
- 6 Office Rent: The term "Office Rent" shall mean a rental payable in equal monthly installments as set forth in Exhibit B along with the fee for Services, if applicable.
- 7 High-Bay Rent: Not applicable
- 8 Subleased Space: The term "Subleased Space" shall mean subleased space located within the Building, having an aggregate floor area of approximately XXX square feet.
- 9 Permitted Use: The term "Permitted Use" shall mean use of the subleased space as an office..
- 10 Premises: The term "Premises" shall mean office space as indicated on Exhibit A.
- 11 Real Estate Taxes: The term "Real Estate Taxes" shall mean real property taxes levied, assessed or imposed by, or at the discretion of, any governmental authority in connection with the Premises excluding any penalties or interest.
- 12 Rent: The term "Rent" shall mean Office Rent..
- 13 Rental Commencement Date: The term "Rental Commencement Date" shall mean September 1, 2018,
- 14 Master Lease: The term "Master Lease" shall mean that Office Lease Agreement between Pinellas County, Florida and STAR-TEC Enterprises, Inc., effective August 7, 2018. This SUBLEASE shall be governed by and subject to said Master Lease.

15 Utilities and Building Services: The term “Utilities and Building Services” and variants thereof shall mean all services Master Lessor shall furnish to the Premises and the Building (inclusive of all direct and indirect costs of providing management, operation, and maintenance of the Building and any contracts for providing such services such as preventive maintenance and service contracts) including (without limitation) waste disposal, janitorial service for exterior and common areas, building security, lighting, cleaning, painting, resurfacing, cleaning and/or treating exterior surfaces, cleaning exterior windows, plumbing, heating, ventilation, air conditioning, elevator, electrical systems, landscaping of the Building, preventive maintenance and service contracts to ensure the proper operation and maintenance of the Building, and any other services related to the proper operation and maintenance of the Building and the Premises. Sublessee shall be responsible for obtaining its own telephone and Internet service including any set-up and monthly fees. STAR-TEC Enterprises, Inc. will provide interior janitorial for the premises and free wireless internet.

ARTICLE II: PREMISES

Section 2.01 -- Premises: STAR-TEC Enterprises, Inc. hereby SUBLEASES part of the Premises to Sublessee, and Sublessee hereby SUBLEASES the Subleased space from STAR-TEC Enterprises, Inc., for the SUBLEASE Term and subject to the terms and conditions set forth in this SUBLEASE. The rights granted hereunder shall include (without limitation) the rights of ingress and egress to the Premises during normal business hours

Section 2.02 -- Term: The SUBLEASE Term shall commence on the Rental Commencement Date and shall end at 11:59 p.m. (local time) on the Expiration Date.

Sublessee shall vacate at the end of the term leaving the premises in the same condition, normal wear and tear excluded, as the premises were delivered at the commencement of the term. In the event that Sublessee fails to vacate and holds over, Sublessee shall pay 200% of the current market rate of rent plus Additional Rent as hold-over rent for each month that Sublessee continues to occupy the premises. This hold-over rent shall be in addition to any other remedies which STAR-TEC Enterprises, Inc. may have at law or in equity.

Section 2.03 -- Permitted Use: Sublessee shall use and occupy the Premises for the Permitted Use. Sublessee shall not use or occupy the subleased space for any other purpose without the prior written consent of STAR-TEC Enterprises, Inc. Sublessee can not sublease space to another occupant.

Section 2.04 -- Relocation: STAR-TEC Enterprises, Inc.

may require Sublessee to relocate from the one location within the Premises to another location within the Premises.

Section 2.05 -- Compliance with Law: Sublessee shall comply with the terms of this SUBLEASE and all statutes, ordinances, rules, regulations and orders of federal, state and local governments applicable to Sublessee’s use and occupancy of the part of the Premises during the SUBLEASE Term (and any renewal thereof) except that Sublessee shall not be responsible for complying with any orders affecting structural walls and columns.

Section 2.06 -- Quiet Enjoyment: Subject to the consent rights of STAR-TEC Enterprises, Inc.’s landlord, STAR-TEC Enterprises, Inc. represents and warrants that STAR-TEC Enterprises, Inc. has full rights and power to grant the estate and SUBLEASE rights granted to Sublessee, and so long as Sublessee shall perform the obligations of Sublessee under this SUBLEASE, Sublessee shall have the peaceable, exclusive and quiet possession, use and enjoyment of part of the Premises.

Section 2.07 -- Renewal Option: Intentionally deleted.

Section 2.08 -- Government Contract Termination: If the government task funding which precipitated the need for STAR-TEC Enterprises, Inc.’s Lease is terminated, cancelled, expires or is reduced to such a level that continuance of STAR-TEC Enterprises, Inc.’s Lease is no longer practicable, in STAR-TEC Enterprises, Inc.’s sole and reasonable discretion, during the STAR-TEC Enterprises, Inc.’s Lease Term (or any renewal thereof), STAR-TEC Enterprises, Inc. shall have the right to terminate this SUBLEASE upon providing Sublessee with thirty (30) days advanced written notice of STAR-TEC Enterprises, Inc.’s intent to terminate this SUBLEASE. In the event STAR-TEC Enterprises, Inc. exercises this right to terminate, this SUBLEASE shall be deemed to have terminated as of the effective date set forth in the written termination notice, and Sublessee’s liability for Rent and payment of any other monies shall cease as of the effective date of termination. Any Rent or other monies paid for any period after the effective date of the termination shall be refunded by STAR-TEC Enterprises, Inc. to Sublessee within ten (10) business days of the effective date of the termination.

Section 2.09 – Termination:

a. STAR-TEC Enterprises, Inc. shall have the right to terminate this SUBLEASE upon thirty (30) days written notice to Sublessee. Notice shall be writing and shall be delivered by United States Mail, postage prepaid, Certified or Registered Mail – Return Receipt Requested, addressed as set out in this agreement. Notice shall be deemed given on the date of receipt, as evidenced in the case of Certified or Registered Mail by the Return Receipt by the date such document was signed for by the receiving party.

b. Sublessee shall have the right to terminate this SUBLEASE upon thirty (30) days’ written notice to STAR-

TEC Enterprises, Inc. for refusal to allow public access to all non-proprietary or unclassified documents, papers, letters or other material subject to the provisions of Chapter 119, Florida Statutes and made or received in conjunction with this SUBLEASE.

ARTICLE III: RENT

Section 3.01 -- Rent: During the SUBLEASE Term, so long as Sublessee shall have quiet use, possession and occupancy of part of the Premises, Sublessee agrees to pay Rent as set forth in Exhibit B attached hereto and made a part hereof, commencing on the Rental Commencement Date, to STAR-TEC Enterprises, Inc. at STAR-TEC Enterprises, Inc.'s address provided on the signature page of this SUBLEASE. Rent shall be payable on or before the first day of each calendar month during the SUBLEASE Term. In the event the Rental Commencement Date is a date other than the first day of a calendar month, Rent for such month shall be prorated by a fraction the numerator of which is the number of days remaining in said calendar month and the denominator of which is thirty-one (31). In the event that Sublessee fails to pay the rent as set forth above, Sublessee shall be subject to a penalty of \$50.00 per day for late payment. This is in addition to any and all other remedies available to STAR-TEC Enterprises, Inc. at law or in equity.

Section 3.02 -- Security Deposit: Sublessee shall pay as a Security Deposit an amount equal to one month rent which amount shall be held in a non-interest bearing account. Upon conclusion of this sublease or the earlier termination thereof, STAR-TEC Enterprises, Inc. shall return said deposit to Sublessee so long as Sublessee has fulfilled all of its obligations under this sublease and has returned the premises to STAR-TEC Enterprises, Inc. in the same condition, normal wear and tear excluded as the premises were originally delivered.

ARTICLE IV: BUILDING SERVICES

Section 4.01 -- Building Services: Pinellas County shall furnish and provide Services to the Building and the Premises. Except as otherwise provided in this Section 4.01, STAR-TEC Enterprises, Inc. shall look to Sublessee for contribution to the cost and expense for Services provided by Owner under STAR-TEC Enterprises, Inc.'s lease necessary to operate and maintain the Building, including the Premises as set forth in Exhibit A.

In the event that Sublessee installs any equipment which results in a significant increase in demand for utilities or building services, Sublessee shall pay the additional cost associated therewith as Additional Rent.

Section 4.02 -- Interruption: Notwithstanding any provision to the contrary in this SUBLEASE, in the event there is an

interruption with or decrease in the level of Services STAR-TEC Enterprises, Inc.'s Landlord shall provide, or have provided on its behalf, to the Premises or the Building persisting for longer than one (1) day and such interruption or decrease interferes with the operation of STAR-TEC Enterprises, Inc.'s business in the Premises, Rent and any other monies payable under this SUBLEASE shall be abated proportionately in accordance with the degree to which Sublessee's use of the part of the Premises is impaired until such time as said decrease or interruption is abated.

Section 4.03 -- Real Estate Taxes: If not exempted due to its non-profit status, STAR-TEC Enterprises, Inc. shall pay all Real Estate Taxes during the Lease Term and any renewal thereof. In the event that Real Estate Taxes become due on the premises occupied by Sublessee, Sublessee shall pay to STAR-TEC Enterprises, Inc. Sublessee's Proportionate Share of Real Estate Taxes during the SUBLEASE Term as Additional Rent on a monthly basis.

Section 4.04 --Additional Rent: Sublessee shall pay to STAR-TEC Enterprises, Inc. on or before the first of each month within the term of this SUBLEASE as Additional Rent the amount set forth in Exhibit B. This Additional Rent represents Sublessee's payment for Utility and Building services including, but not limited to janitorial, if applicable

ARTICLE V: COMMON AREAS

Section 5.01 -- Common Areas: Subject to the Master Lease, STAR-TEC Enterprises, Inc. hereby gives Sublessee and Sublessee's employees, contractors, agents, visitors and business invitees a nonexclusive right to reasonable use and enjoyment of the common areas. For purposes of this Section 5.01, the term "common areas" refers to the Building in which the Premises are located and any related land uses and facilities outside the Premises and available to be used by any and all Building tenants including (without limitation) the land upon which the Building is located, pedestrian walkways, patios, landscaped areas, sidewalks, loading areas, parking areas, roads, lobbies, corridors, restrooms, conference rooms and telephone booths. Conference rooms shall be utilized on an "as available" basis.

Section 5.02 -- Signs: Subject to STAR-TEC Enterprises, Inc.'s Landlord's rights of approval, STAR-TEC Enterprises, Inc. will provide a sign outside the door of the sublessees subleased space identifying Sublessee's occupancy of subleased space. STAR-TEC Enterprises, Inc. shall install the sign as part of the Support Services.

Section 5.03 -- Parking: STAR-TEC Enterprises, Inc.'s does not provide parking to Sublessees employees, customers or visitors. Sublessees shall determine the best option for its employees, customers and visitors by evaluating parking options throughout the City of St. Petersburg and entering into direct agreements with those entities.

ARTICLE VI: ACCESS AND REPAIRS

Section 6.01 -- Access: Sublessee shall permit STAR-TEC Enterprises, Inc.'s Landlord to enter the Premises during business hours for inspection, maintenance and repairs in or about the Premises. Subject to the limitations in Section 6.02, during the last sixty (60) days of the Master Lease term or any renewal thereof, Sublessee shall permit STAR-TEC Enterprises, Inc.'s Landlord (upon appointment) to enter the Premises for the purpose of showing the Premises to prospective tenants and shall permit STAR-TEC Enterprises, Inc.'s Landlord to post a "For Rent" or "For Sale" sign on the Premises.

Section 6.02 -- Classified Information: Notwithstanding anything to the contrary in this SUBLEASE, Sublessee shall not directly or indirectly access, attempt to access or permit any individuals (except employees and agents of Sublessee) to access any facilities or space within the demised Premises which may contain any information, data, software, technology, documents or products that are "Classified," "Confidential," "Secret," or "Top Secret," as defined under applicable federal law, rules, regulations, orders, policies and guidelines, including (without limitation) any facilities or space within the demised Premises designated in writing by STAR-TEC Enterprises, Inc. as "Secured Space." Sublessee shall maintain all such "Secured Space" designations in strict confidence and shall not disclose such designations, Sublessee's obligations under this Section 6.02, or any information related thereto to any individuals or entities without the prior written permission of STAR-TEC Enterprises, Inc.. Sublessee shall comply with and not violate any applicable laws, regulations, rules, orders, policies and guidelines pertaining to classified information relating to national defense. Sublessee hereby acknowledges that the "Secured Space" represents areas of the Building which may not be accessed, except by those persons who have certain government security clearances. Sublessee hereby represents and warrants that it shall indemnify and save STAR-TEC Enterprises, Inc. harmless for all penalties, damages, claims, or demands resulting from Sublessee's violation of its obligations under this Section 6.02. The obligation set forth in the foregoing sentence shall survive termination and cancellation of this SUBLEASE.

Section 6.03 -- STAR-TEC Enterprises, Inc. Repairs: Except for reasonable wear and tear, damage by the elements, and repairs or maintenance which are the obligation of STAR-TEC Enterprises, Inc.'s Landlord under Master Lease, Sublessee shall take good care of the Premises and shall make all reasonable and necessary repairs to the Premises at its sole cost.

Section 6.04 -- Inconvenience: Notwithstanding any provision to the contrary in this SUBLEASE, in the event that Sublessee's business operations are inconvenienced or interrupted, in any manner, or Sublessee's use and occupancy of the Premises is materially impaired due to repairs or maintenance by STAR-TEC Enterprises, Inc.'s Landlord, or on STAR-TEC Enterprises, Inc.'s Landlord's behalf, due to STAR-TEC Enterprises, Inc.'s Landlord's repairs or

maintenance in or about the Premises for a period exceeding one (1) day, the Rent and any other monies payable under this SUBLEASE shall be abated proportionately in accordance with the degree to which Sublessee's use of the Premises is impaired until such time as said inconvenience, interruption, and impairment is abated.

ARTICLE VII: SURRENDER OF POSSESSION

Section 7.01 -- Surrender of Possession: Upon expiration or termination of this SUBLEASE, Sublessee shall surrender the Premises to STAR TEC Enterprises, Inc. in good condition and repair, excepting structural damages, damages by the elements, ordinary wear and tear, repairs and maintenance which are the obligation of STAR-TEC Enterprises, Inc.'s Landlord under Master Lease, and any repairs or maintenance made necessary by (i) the tortious acts or omissions of STAR-TEC Enterprises, Inc.'s Landlord or STAR-TEC Enterprises, Inc.'s Landlord's agents, employees, or contractors, (ii) any violation of law by STAR-TEC Enterprises, Inc.'s Landlord or STAR-TEC Enterprises, Inc.'s Landlord's agents, employees, or contractors, or (iii) any violation of this SUBLEASE by STAR-TEC Enterprises, Inc.'s Landlord.

Section 7.02 -- Equipment: When Sublessee moves out upon the expiration date or earlier termination of this SUBLEASE (or if Sublessee is dispossessed), if Sublessee fails to remove or claim any of its trade fixtures, equipment or other property within thirty (30) days after such expiration or termination of this SUBLEASE (or the issuance of the final order or execution of the warrant), then and in that event, such trade fixtures, equipment or other property shall be deemed abandoned and shall become the property of STAR-TEC Enterprises, Inc..

ARTICLE VIII: INDEMNIFICATION AND INSURANCE

Section 8.01 -- Insurance: Sublessee shall continue in force the Insurance as set forth in Section 1.02 (3) above. Sublessee shall provide STAR-TEC Enterprises, Inc. certification of such Insurance at the date of acceptance of the Premises. Sublessee shall not allow the Premises to be used for any purposes increasing the risk of fire insurance on the Premises. Sublessee shall cause STAR-TEC Enterprises, Inc. to be named as certificate holder.

Section 8.02 -- Indemnification: Sublessee shall indemnify and hold STAR-TEC Enterprises, Inc. and its Master Lessor harmless from any and all liability, claims or causes of action arising from the occupancy of the premises by Sublessee, or caused by other tenants or sublessees within the Building.

ARTICLE IX: DESTRUCTION AND CONDEMNATION

Section 9.01 -- Damages: Subject to the Master Lease, if the Building and/or the Premises are damaged, the following terms and conditions shall apply:

- (a) Total Destruction: If the Building and/or the Premises are totally destroyed or so damaged that the same cannot be repaired or restored within a reasonable period of time, this Lease shall terminate. Such termination shall be effective as of the date of damage, and Sublessee's liability for Rent and payment of any other monies under this Lease shall cease as of such date. Any Rent or other monies payable under this Lease for any period after the date of such damage shall be promptly refunded by STAR-TEC Enterprises, Inc. to Sublessee.
- (b) Partial Destruction: If the Building and/or the Premises are partially destroyed or damaged, this SUBLEASE shall continue as follows:
 - (1) Option to terminate: STAR-TEC Enterprises, Inc. shall have the option to terminate this Lease within thirty (30) days of the date of the damage. Such termination shall be effective as of the date of damage, and any Rent or other monies payable under this Lease for any period after the date of such damage shall be promptly refunded by STAR-TEC Enterprises, Inc. to Sublessee

Section 9.02 -- Condemnation: If the Premises or any portion thereof is taken, whether the taking is temporary or permanent, under the power of eminent domain for any public or quasi public use or purpose, the following terms and conditions shall apply:

- (a) Total Condemnation: In the event the whole of the Premises is condemned, this SUBLEASE shall cease and terminate effective on the date that title to the Premises vests in the condemning authority, and Sublessee's liability for Rent and payment of any other monies under this SUBLEASE shall cease as of such date. Any Rent or other monies payable under this SUBLEASE for any period after the date of title vesting shall be promptly refunded by STAR-TEC Enterprises, Inc. to Sublessee.
- (b) Partial Condemnation: In the event that only a portion of the Premises is condemned, this SUBLEASE shall continue as follows:
 - (1) Option to terminate: STAR-TEC Enterprises, Inc. shall have the option to terminate this SUBLEASE by notifying Sublessee in writing within thirty (30) days following the date of vesting of title. Such termination shall be effective as of the date that title vested in the condemning authority, and Sublessee's liability for Rent and payment of any other monies under this

SUBLEASE shall cease as of such date. Any Rent or other monies payable under this SUBLEASE for any period after the date of title vesting shall be promptly refunded by STAR-TEC Enterprises, Inc. to Sublessee.

- (2) Option to terminate: Sublessee shall have the option to terminate this SUBLEASE by notifying STAR-TEC Enterprises, Inc. in writing within thirty (30) days following the date of vesting of title. Such termination shall be effective as of the date that title vested in the condemning authority, and Sublessee's liability for Rent and payment of any other monies under this SUBLEASE shall cease as of such date. Any Rent or other monies payable under this SUBLEASE for any period after the date of title vesting shall be promptly refunded by STAR-TEC Enterprises, Inc. to Sublessee.

- (c) Transfer Under Threat of Taking: For purposes of this Section 10.02 only, a voluntary sale or conveyance under threat and in lieu of condemnation shall be deemed a taking under the power of eminent domain.

ARTICLE X: HAZARDOUS SUBSTANCES

Section 10.01 -- Hazardous Substances: Sublessee shall not use, store, or dispose of any Hazardous Substance that may pose a hazard to the health of all Building occupants. Such restriction shall not be deemed to prevent Sublessee's use of any Hazardous Substances customarily used in the ordinary course of office work, Research & Development, or "clean room" research, in reasonable quantities, provided such use is in accordance with any applicable federal, state, or local statutes, codes, rules, regulations, and ordinances including but not limited to handling, storage, and disposal. For purposes of this Article XI, the term "Hazardous Substance(s)" shall mean any chemical, material or substance which is restricted, prohibited or penalized by any applicable federal, state, or local statute, code, rule, regulation or ordinance.

ARTICLE XI: DEFAULT AND REMEDIES

Section 11.01 -- Default by Sublessee: If Sublessee fails to comply with the obligations of Sublessee under this SUBLEASE and fails to begin curing such noncompliance within ten (10) business days after receiving written notice of such noncompliance from STAR-TEC Enterprises, Inc., such noncompliance shall be deemed an Event of Default unless waived by STAR-TEC Enterprises, Inc.. Such obligations of Sublessee shall include but not be limited to the compliance with all rules and requirements as set for the in the Client Handbook, copies of which is attached hereto as Exhibit C.

Section 11.02 -- STAR-TEC Enterprises, Inc. Remedies: If an Event of Default occurs, STAR-TEC Enterprises, Inc. may exercise one of the following remedies:

- (a) Termination: STAR-TEC Enterprises, Inc. may terminate this Lease by providing Sublessee with ten (10) days advanced written notice of intent to terminate;
- (b) Cure Default: STAR-TEC Enterprises, Inc. may correct or remedy the Event of Default by its own action. An act by STAR-TEC Enterprises, Inc. remedying or correcting any such default shall be deemed a waiver or release of the default by STAR-TEC Enterprises, Inc. notwithstanding Section 12.08;
- (c) Re-entry and Removal: STAR-TEC Enterprises, Inc. may re-enter the Premises and remove Sublessee. Any property of Sublessee so removed by STAR-TEC Enterprises, Inc. shall be deemed abandoned. An act of re-entry shall terminate this SUBLEASE.

Section 11.03 -- Effect of SUBLEASE Termination: If this SUBLEASE shall be terminated for any reason, all future obligations and duties of Sublessee under this SUBLEASE shall cease on the effective date of such termination. The termination of this Lease shall not release or in any way affect the obligations or duties of a party to this SUBLEASE which have already matured on the effective date of such termination.

Section 11.04 -- In the event of a Default by STAR-TEC Enterprises, Inc. and failure of STAR-TEC Enterprises, Inc. to cure within thirty (30) days, Sublessee shall have the right, but not the obligation, to terminate this Agreement.

ARTICLE XII: MISCELLANEOUS

Section 12.01 -- Force Majeure: Neither STAR-TEC Enterprises, Inc. nor sublessee shall not be liable for any failure or delay in performing its obligations under this Lease because of circumstances beyond the control of STAR-TEC Enterprises, Inc., which such circumstances shall include (without limitation) natural disaster, terrorism, strikes, lockouts, Acts of God, governmental restrictions, enemy act, civil commotion, unavoidable fire or other casualty, breach of the Master Lease by STAR-TEC Enterprises, Inc.'s Landlord, tortious or unlawful acts or omissions by STAR-TEC Enterprises, Inc.'s Landlord, or other cause(s) beyond STAR-TEC Enterprises, Inc.'s reasonable control.

Section 12.02 -- Amendments and Modifications: Alterations, modifications, or amendments of a provision of this SUBLEASE shall not be binding unless such alterations, modifications or amendments are in writing and

signed by an authorized representative of STAR-TEC Enterprises, Inc. and Sub lessee.

Section 12.03 -- Relationship of the Parties: It is agreed that the relationship of the parties is primarily that of sublandlord and subtenant. Unless otherwise specifically provided for herein, nothing in this SUBLEASE shall be construed as creating a partnership, employment relationship, or agency relationship between the parties, or as authorizing either party to act as agent for the other. Each party maintains its separate identity. Neither party shall have the authority to bind the other to any contracts or other agreements with third parties.

Section 12.04 -- Entire Agreement: This SUBLEASE, including the Exhibits, contains all of the agreements, understandings, conditions, representations, and warranties made between the parties hereto and supersedes all previous verbal and written agreements concerning lease of the Premises by STAR-TEC Enterprises, Inc. to Sublessee.

Section 12.05 -- Interpretation: This SUBLEASE shall be construed without regard to the identity of the person who drafted the provisions hereof. Each and every provision of this SUBLEASE shall be construed as though all parties hereto participated equally in the drafting thereof. Any rule of construction that a document is to be construed against the drafting party shall not be applicable.

Section 12.06 -- Equitable Remedies: The parties hereby acknowledge that damages at law may be an inadequate remedy to STAR-TEC Enterprises, Inc. or sublessee. In addition to all other remedies which may be available at law or equity, STAR-TEC Enterprises, Inc. shall have the right of specific performance, injunction or other equitable remedy in the event of a breach of this SUBLEASE.

Section 12.07 -- Litigation Expenses: Except as otherwise provided for in this SUBLEASE, in the event of litigation or arbitration arising out of this SUBLEASE, each party shall pay its own costs and expenses of litigation or arbitration (excluding fees and expenses of arbitrators and administrative fees and expenses of arbitration).

Section 12.08 -- Waiver: Waiver of a breach of this SUBLEASE shall not be held a waiver of another breach. Failure to enforce a provision of this SUBLEASE shall not constitute a waiver or create an estoppel from enforcing such provision. Any waiver of a provision of this SUBLEASE shall not be binding unless such waiver is in writing and signed by the waiving party.

Section 12.09 -- Assurances: Each party hereby represents and warrants that all representations, warranties, recitals, statements and information provided to each other in connection with this SUBLEASE are true, correct and accurate as of the date of this SUBLEASE first written above to the best of their knowledge.

Section 12.10 -- Severability: If any provision of this SUBLEASE is rendered invalid, void or unenforceable, the remaining provisions shall remain in full force and effect.

Section 12.11 -- Survival of Representations and Warranties: The representations, warranties, covenants and agreements of sublessee and STAR-TEC Enterprises, Inc. in this SUBLEASE shall survive the performance of this SUBLEASE and shall continue in favor of Sublessee and STAR-TEC Enterprises, Inc.

Section 12.12 -- Time of the Essence: Time is of the essence in all provisions of this SUBLEASE.

Section 12.13 -- Captions: The headings and captions of this SUBLEASE are inserted for reference convenience and do not define, limit, or describe the scope or intent of this SUBLEASE or any particular section, paragraph or provision.

Section 12.14 -- Governing Law: This SUBLEASE shall be governed by the laws of the state in which the Premises demised under this SUBLEASE is located within, without regard to any rules of conflict or choice of laws which require the application of laws of another jurisdiction, and venue shall be Pinellas County, Florida. Sublessee, as an agency of the State of Florida, is entitled to the benefits of sovereign immunity coextensive therewith, including immunities from taxation. In the event that either party is required to obtain from any governmental authority any permit, Sublease, or authorization as a prerequisite to perform hereunder, the cost thereof shall be borne by the party required to obtain such permit, Sublease, or authorization.

Section 12.15 -- Notice: Notices shall be in writing and shall be deemed delivered in person when delivered by courier or commercial next business day delivery service or mailed postage prepaid in United States Mail by Certified or Registered Mail – Return Receipt Requested – to the person and address designated below for STAR-TEC Enterprises, Inc. and to the person and address set forth on the signature page of this Lease for STAR-TEC Enterprises, Inc.. Notice shall be deemed given on the date of receipt, as evidenced in the case of Certified or Registered Mail by Return Receipt.

STAR-TEC Enterprises, Inc.

STAR-TEC Enterprises, Inc.
501 1st Avenue North, Suite 901
St. Petersburg, FL 33701
Attn: Tonya Elmore, President & CEO

X Corporation
Address 1
Address 2
Attn: CEO

Section 12.16 -- Pronouns/Gender: Pronouns and nouns shall refer to the masculine, feminine, neuter, singular or plural as the context shall require.

Section 12.17 -- Bankruptcy: If any party must institute, defend, appear or attend a bankruptcy proceeding as a result of the filing of bankruptcy by the other party, fees and expenses shall be paid by the filing party. If any party has a bankruptcy proceeding filed against it, the other party shall be entitled to recover attorney fees, expert witness fees, and other costs incurred by such other party in connection with the bankruptcy proceeding, hearing or trial.

Section 12.18 -- Counterparts: Intentionally deleted.

Section 12.19 -- Arbitration: Intentionally deleted.

Section 12.20 -- Consent: In any situation where STAR-TEC Enterprises, Inc.'s consent or approval is required, STAR-TEC Enterprises, Inc. hereby represents and warrants that it shall not unreasonably withhold its consent or approval. Unless otherwise stated in this SUBLEASE, in any situation where Sublessee requests STAR-TEC Enterprises, Inc.'s consent or approval, STAR-TEC Enterprises, Inc. shall provide Sublessee with a written response within ten (10) business days of STAR-TEC Enterprises, Inc.'s receipt of Sublessee's request. If STAR-TEC Enterprises, Inc. does not respond as herein provided, STAR-TEC Enterprises, Inc. shall be deemed to have denied Sublessee's request.

Section 12.21 Advertising: STAR-TEC Enterprises, Inc. shall be authorized to use the name of Sublessee and any applicable trademark associated with Sublessee name in the advertising and marketing materials for the Tampa Bay Innovation Center.

Final ratification of this agreement is subject to legal review by both sides.

IN WITNESS WHEREOF, and intending to be legally bound hereby, STAR-TEC Enterprises, Inc. and Sublessee have hereunto respectively signed this SUBLEASE as of the date first written above.

STAR-TEC Enterprises, Inc.

BY: _____
Tonya Elmore
President & CEO

WITNESS: _____

Sublessee Name

BY: _____
President

WITNESS: _____

Appendix F. Current TBIC Incubator Client Handbook



CLIENT HANDBOOK

**244 2nd Avenue N. Suite 9
St. Petersburg, FL 33701
727-547-7340**

Initial

January 2017

TEC GARAGE POLICIES AND PROCEDURES

TEC Garage provides coworking/office space and incubation support for startups in 6,000 sq. feet of St. Petersburg College's downtown facility.

Mission Statement

"ACCELERATING ENTREPRENEURIAL SUCCESS"

Hours of Operation and Access

Clients (coworkers and incubator clients) are granted authorized access to TEC Garage common areas either 24/7 or 8:00 a.m. – 5:00 p.m. Monday – Friday. No pets/animals are permitted in the buildings.

Normal Business Hours

Normal business hours of operation for TEC Garage are 8:00 a.m. through 5:00 p.m., Monday – Thursday and 8:00 a.m. through 4:30 p.m. on Friday (except recognized holidays). During normal business operations, TEC Garage will attempt to maintain a staff presence in the receptionist area as best as possible.

Holiday Schedule – Calendar Year 2017

New Year's Day (Holiday Observed)	Monday, January 2, 2017
Martin Luther King's Day	Monday, January 16, 2017
Memorial Day	Monday, May 29, 2017
Independence Day	Tuesday, July 4, 2017
Labor Day	Monday, September 4, 2017
Veterans Day	Friday, November 10, 2017
Thanksgiving Day	Thursday, November 23, 2017
Day after Thanksgiving	Friday, November 24, 2017
Christmas Eve (Holiday Observed)	Monday, December 25, 2017
Christmas Day (Holiday Observed)	Tuesday, December 26, 2017

Off-Shift Business Hours

Off-shift business hours are defined as all hours outside normal business hours, including weekends. TEC Garage staff is not required to be present after hours, but will provide support, as requested, if possible.

Key and Key Card

Clients with offices will be provided keycards for employee access to the building and two keys to their leased area(s). Additional keys are available, but will be provided at a cost of \$5.00 per key. Clients are required to report lost or stolen keys/keycards within 24 hours. Clients are responsible for replacement of lost or stolen keys and any costs associated with hardware changes.

Clients with incubator coworking or 24/7 coworking agreements will be provided one keycard for access to the building and entrance to TEC Garage. Clients are required to report lost or stolen key cards within 24 hours. Clients are responsible for replacement of lost or stolen keycards and any costs associated with hardware changes.

Guest Policy

Visitors are welcome! To encourage an active and open environment, TEC Garage maintains a flexible guest policy. At present, all guests are required to sign in at the receptionist desk and abide by all of the policies stated herein.

Guests visiting for longer than 2 hours they should either: buy a day pass from the receptionist or purchase use of a conference room (subject to availability) for the duration of their stay.

Anyone hosting a guest at TEC Garage is solely responsible for the actions and behavior

Conference Rooms

To book a conference room, please contact the receptionist at (727) 547-7340 with a minimum of 24 hours advanced notice when possible. When an impromptu meeting is called and the conference room is unoccupied, you still must clear use with the Receptionist.

Conference rooms are provided as is. TEC Garage does not supply water, coffee, food, catering services, staffing, secretarial or sign-in support. Food and beverages are permitted and rooms must be returned to their pre-use condition. Damages will be your sole responsibility, billed to you by TEC Garage.

TEC Garage conference rooms are available to the Clients and Co-workers based on the terms of Exhibit 1 of their lease/service agreement. Conference rooms must be reserved through the receptionist

Room:	<u>Large</u>	<u>Small</u>
Max Capacity:	12	6
Full audio available	Yes	Yes
Video/overhead projection	Yes	Yes
Rolling Whiteboard (2)	Yes	Yes
Electronic Whiteboard (1)	Yes	Yes
Teleconferencing	Yes	Yes

Emergency Contact Information

During business hours please notify receptionist for any maintenance or facility problems in your area. Outside of business hours, please contact:

TEC Garage President & CEO, Tonya Elmore
Office 727/547-7340
Cell 727/517-5796

SPC Security Dispatch – 727-791-2560
After calling 911, call SPC Security Dispatch and tell them you have called 911 and give them the same information given to 911.

Fire, Medical and Police Emergencies, Explosion, Hazardous Materials Spill or act of violence – 911
If necessary to call 911, give them your location – 244 2nd Avenue N. St. Petersburg 33701, St. Petersburg College.

St. Petersburg College Emergency information is posted at all exit doors of TEC Garage.

Support Services

Receptionist/Administrative Assistant

Receptionist services are available from 8:00 am – 5:00 pm Monday – Thursday and 8:00 am – 4:30 pm Friday. The TEC Garage receptionist will greet and direct visitors, sort mail, direct deliveries, direct TEC Garage maintenance activities and coordinate client requests for use of equipment and common areas.

The receptionist/administrative assistant is not responsible for dealing with Client's customer on specific matters relating to the Client's business, taking/making phone calls on behalf of the Client or for mailing Client packages.

Resource Library

The Resource Library is located in the coworking area in the back of TEC Garage and is available to all Clients during normal business hours. Reference materials, business

journals/magazines and newspapers are to remain in the Library unless they are checked out using the checkout binder located at the reception desk.

Resource Center

The Resource Center is available to all Clients.

Supplies – tape, staples, paper clips and rubber bands are available for client use and are out on the counter top. All other supplies stored in the cabinets and drawers are for the use of staff only.

The Resource Center is comprised of the following: black/white/color photocopying, fax machine and shredding machine. The Clients will be charged per the following rate schedules:

Use of the shredding machine is free.

Usage of the fax machine is free.

The photocopying machine is capable of printing and copying black/white and color copies. Each client will be assigned a copy accounting code and will be billed monthly for usage. If client does not pay invoice by due date, all copy privileges will be suspended until such invoice is paid.

TEC Garage will supply 20 pound multi-purpose copy paper. Client may provide their own paper for special projects at their sole cost. All paper must adhere to copy machine paper specifications. All clients will receive specifications upon training of copy-machine usage. If photocopying results in improper use by client, client will be responsible for any costs associated with misuse.

Cost per copy:

Black/White	.09 cents
Color	.25 cents

Notary Public

A Notary Public is available on site at no charge to TEC Garage clients. Please contact the Receptionist at 727/547-7340 to schedule an appointment.

Kitchen Area

Clients have access to the kitchen area that is equipped with a refrigerator with icemaker, microwave, and cups. Coffee and tea service are available at no charge.

TEC Garage and Building Security

TEC Garage is equipped with an Electronic Key Entry System. KEY CARD and 24 HOUR ACCESS are offered to 24/7 coworkers, virtual incubator clients, and reserved desk and office holders.

TEC Garage is open Monday through Thursday from 8:00 a.m. – 5:00 p.m. and Friday from 8:00 a.m. – 4:30 p.m. Please note the St. Petersburg College closes the outside doors on 2nd Avenue North at 2:00 p.m. on Friday. However, the 3rd Street entrance to the building can be accessed until 6:00 pm on Friday.

TEC Garage staff is responsible to lock doors to TEC Garage at the end of normal business hours.

After normal business hours, key-holders are responsible for the security when entering and leaving the building. A key-holder is deemed to be any person who takes possession of keys/key card to TEC Garage. Key-holders acknowledge and accept responsibility for the security of the doors and space. The key-holder is expected to be certain doors are closed behind them outside of normal business hours or operation.

The key-holder is responsible to escort all visitors and customers out of TEC Garage and the building. Key-holders will not leave doors propped open and unattended or unlocked. Key-holders must be sure that all doors close behind them when entering and leaving out of normal business hours.

SPC provides security throughout the building during normal business hours and during evenings and weekends on a variable schedule

General Rules:

In using the facilities and common areas of TEC Garage, all clients agree to abide by the following:

- Aside from private offices and reserved desks, all of the other spaces in TEC Garage are Common Spaces. This includes the kitchen, coworking areas, receptionist lobby, phone booth, hallways, work room and conference rooms. All parties understand that they must clean up after themselves, employees and any guests.
- Except under written agreement by TEC Garage, no one has rights to permanent use of any given space.
- Due to the nature of an open environment, most conversations can be heard by others. If a matter is confidential or requires the need to speak loudly, use the phone booth, reserve a conference room, or take the call in an outdoor space. All parties are responsible for

ensuring appropriate confidentiality of business or personal information. All parties are expected to respect the privacy and confidentiality of others, TEC Garage bears no responsibility in this matter.

- Seek permission from TEC Garage prior to hosting events, posting signage or using TEC Garage in such a way that may impose on others utilizing the space.
- All clients, coworkers and guests are responsible for their own belongings and actions.
- TEC Garage strictly prohibits any illegal activity in its premises, included but not limited to drug use or illegal online activity.
- TEC Garage strictly prohibits firearms, weapons, drugs, etc. on the premises.

Mail and Deliveries

Mail

Clients are able to receive mail that is delivered to the TEC Garage mailbox. Mail will be distributed by TEC Garage staff or held in a secure office until client picks up during normal business hours (Monday – Friday, 8:00 am – 5:00 pm). TEC GARAGE is not responsible for sending or packaging any outgoing mail.

The mailing address for clients is:

“Company Name”
244 2nd Avenue N., Suite 9
St. Petersburg, FL 33701

The delivery address for clients is:

“Company Name”
c/o TEC Garage
244 2nd Avenue N., Suite 9
St. Petersburg, FL 33701

Mail service is available to co-workers for an additional fee.

Telephone and Network Access

TEC Garage provides free high speed wi-fi access to all clients and guests.

TEC Garage has a fiber network and has pulled a telecommunications bundle into each office and reserved desk area. The bundle includes up to 4 network lines for offices and up to 2 for reserved desk areas (Cat 6/RJ45) for use for VoIP telephone for voice and/or fax and for data communication. The Client is responsible for costs associated to extend services within the area or for additional required services. The Client is responsible to set up accounts for telephone service VoIP and high-speed Internet (Bright House) for needs beyond what TEC Garage provides.

All clients and guests utilizing network access will not:

- Use the services in any manner that could damage, disable, overburden, or impair any TEC Garage system, service or network server,
- Attempt to gain unauthorized access to any services, or accounts or computer system. No spamming, posting or downloading files that you know or should know are illegal or that you have no rights to. Access any other device connected to TEC Garage network or the Internet that you do not have permission to access.
- Violate any code of conduct or other guidelines which may be applicable for any particular service

Janitorial Services

Common Areas

TEC Garage is responsible for the daily cleaning and stocking of all common areas including the lobby, hallways, conference rooms, resource center, kitchen and TEC Garage offices and reserved desks.

Client employees, visitors and customers are expected to help keep common areas clean.

Pest Control

Building Interior/Exterior

St. Petersburg College is responsible for providing pest control and extermination services for all areas internal/external to the building. Any issues or complaints can be directed to the TEC Garage staff. Clients are requested to keep food waste to a minimum and placed in appropriate trash receptacles. Continued neglect on the Client's part that creates pest issues, may result in a charge for additional extermination service.

TEC GARAGE Equipment

Common Equipment

Common equipment includes resource center equipment and conference room equipment. Clients are authorized to use all of this equipment, but are required to reserve the use of equipment and pay any applicable fees.

Equipment such as push carts, monitors, extension cords and projectors are available for Client use within the facility.

Office Furniture

TEC Garage has several pieces of office furniture and accessories available for loan to the Clients. They are available on a first-come, first-serve basis. The Client is responsible to return all loaned equipment in the same condition to TEC Garage upon leaving the program, reasonable wear and tear excluded

Property Management

TEC Garage maintains an inventory of all equipment, furnishings and accessories.

Storage

With the exception of locker rental, TEC Garage does not have storage available. Per the Fire Marshall, it is strictly prohibited to use hallways as storage areas.

Signage

TEC Garage provides signage on a screen in the receptionist lobby area for incubator clients. Clients with individual offices will receive a doorplate or wall 'flag' style plate at the Client's main area entrance. St. Petersburg provides exterior directory signage for TEC Garage.

Building Repair and Maintenance

St. Petersburg College staff is responsible for maintenance of building exteriors, air conditioning, roofs, electrical distribution and emergency lighting. The St. Petersburg College maintenance staff is on-site and available from 7:00 a.m. through 3:30 p.m., Monday – Friday. For maintenance issues, the Client is requested to notify the TEC GARAGE staff and the staff person will coordinate maintenance activities.

Smoking Policy

TEC Garage and St. Petersburg College are designated as non-smoking facilities.

Fire Protection and Prevention Policy

Fire Alarm and Fire Sprinklers

A combination of sprinklers, smoke detections and fire extinguishers are provided throughout the SPC building.

Fire Extinguishers

Fire extinguishers are strategically placed through TEC Garage to meet fire and life safety codes. All extinguishers are the 'ABC' type and available for use on any type of fire and are intended for use on small fires.

Hazardous/Harmful/Dangerous Materials

No hazardous, harmful or dangerous materials are allowed on the property.

Payment of Accounts

Financial Difficulty

Clients who are experiencing financial difficulty in their business that is likely to affect due payments are encouraged to speak to the TEC GARAGE President as soon as possible (before the account is due!)

Due Dates

The payments of accounts are due the first working day of each new month. Clients are expected to pay lease/service agreement payments with or without receipt of a TEC GARAGE invoice per the terms of the agreement. TEC GARAGE shall invoice the Client for all other services provided.

Interest Charges

Interest charges on outstanding accounts will be per the terms of the lease/service agreement. If not specified in the lease/service agreements a \$50 late fee is charged per day on all outstanding accounts. TEC GARAGE reserves the right to waive late fees/interest charges.

Client Insurance Requirements

Clients must provide for minimum insurance requirements as outlined in lease agreement section 1.02 (3) as noted below. ** Clients shall provide at the time of renewal or at least once per year, a copy of their Certificate of Insurance evidencing such coverage and naming STAR-TEC Enterprises, Inc. AND Board of Trustees of St. Petersburg College as "additional insured".

The Certificate Holder should be: STAR-TEC Enterprises, Inc., 244 2nd Avenue N., Suite 9, St. Petersburg, FL 33701.

The Certificates should indicate a 30-day notice of cancellation.

If clients do not provide COMPREHENSIVE AUTOMOBILE AND TRUCK LIABILITY Client agrees to:

- Provide proof of private automobile liability insurance for each officer and employee maintaining a file consisting of a current copy of the Declaration of Insurance page, to be updated periodically.

****Insurance: The term “Insurance” shall mean the following type(s) and amount(s) of insurance maintained by Sublessee with regard to the Premises: Comprehensive or commercial general liability including contractual liability with a limit of not less than One Million Dollars (\$1,000,000) per occurrence naming STAR TEC Enterprises as additional insureds, and Worker’s Compensation coverage as mandated by state law.**

TEC Garage is located at 244 2nd Avenue N., Suite 9, St. Petersburg, FL 33701

Professional Assistance

TEC Garage offers a host of professional assistance through our professional staff and volunteer network for management, marketing, legal, accounting, payroll service, student assistance and technical (engineering and analytical). The mentoring Committee/Client Advisory Boards form in the back of this handbook must be signed and returned to the President at the time of signing.

Client Graduation Policy

Our goal is to help clients become sustainable and graduate out into the local community. Initial lease terms are for one year. Extensions will be based on a company’s progress, financial status, and need for continuation of incubation services. Client agrees to discuss graduation and exit strategies at their annual review.

We realize each client enters into the incubator program at various stages and therefor time limits alone are not a good graduation policy. We believe in criteria that is reflective of a client’s ability to reach set benchmarks that will aid in that client being an ongoing concern.

We believe it is important to help clients achieve **two** of the following graduation goals: Client has:

- Initial Public Offering (IPO) or acquisition
- Significant growth in employees and/or revenues
- Change of ownership
- Outgrown the capacity of the incubator or the need for a stand-alone location
- Achieved agreed-upon milestones or failed to meet agreed-upon milestones
- Been a client for four years (from idea to proof-of-concept to revenue)

-Ceased to utilize the services of the incubator

We will remain committed to client growth even after graduation and provide continued support within reason. Additionally, we will provide graduates with relocation assistance through the resource network.

Marketing Materials

Client agrees to be listed on the TEC GARAGE website and other marketing materials and to authorize TEC GARAGE to incorporate Client's name, contact information, company description and any logo or trademark utilized by the Client.



ED-900E – Calculation of Estimated Relocation and Land Acquisition Expenses

- a. Are relocation expenses part of the proposed project's EDA budget? ☐ Yes ☒ No
- b. Will the proposed project cause the displacement of individuals, families, businesses or farms? ☐ Yes ☒ No

If **Yes**, explain how relocation procedures will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1990 (13 C.F.R. § 302.5 ; see Certification #11 on Form SF-424D, 'Assurances - Construction Programs', for an explanation of this requirement.)

All applicants must complete the "Calculation of Estimated Relocation and Land Acquisition Expenses" form (below), and enter the estimated total for "costs incidental to land acquisition" (line item 1) on line item 3 ("relocation expenses and payments") of Form SF-424C, 'Budget Information - Construction Programs.' This is separate from the estimated purchase price of the property.

ITEM 1. COSTS INCIDENTAL TO LAND ACQUISITION - ESTIMATES	
Number of land transactions involved (including options, easements and rights-of-way):	
Recording fees, transfer taxes, surveys, appraisals, title search and similar expenses-Section 303(1)	
Penalty costs-Section 303(2)	
Real Property taxes-Section 303(3)	
Litigation expenses-Section 304(a)	
Total - Estimated costs incidental to transfer of title	
ITEM 2. RELOCATION - ESTIMATES	
a. TENANTS - Estimates: Number of Claims	
(1) Moving Expenses:	
Actual Expenses-Section 202(a)(1)	
In lieu payments-Section 202(b)	
Total - Moving Expenses	
(2) Replacement housing payments:	
Rental payments-Section 204(1)	
Down payment-Section 204(2)	
Total - Replacement housing payments	
Total - Estimated Tenants	

b. OWNER-OCCUPANTS - Estimates: Number of Claims	
(1) Moving Expenses:	
Actual Expenses-Section 202(a)(1)	
In lieu payments-Section 202(b)	
Total - Moving Expenses	
(2) Replacement housing payments:	
Purchase payments-Section 203(a)(1)	
Reasonable replacement costs-Section 203(a)(1)(A)	
Increased interest costs-Section 203(a)(1)(B)	
Closing costs-Section 203(a)(1)(C)	
Rental payments-Section 204(1)	
Down payment-Section 204(2)	
Total - Replacement housing payments	
Total - Estimated Owner-Occupants	
c. BUSINESS - Estimates: Number of Claims	
Moving Expenses:	
Actual Expenses-Section 202(a)(1)	
Actual loss of tangible personal property-Section 202(a)(2)	
Actual searching expenses-Section 202(a)(3)	
In lieu payments-Section 202(c)	
Total - Estimated Business	
d. NONPROFIT ORGANIZATIONS - Estimates: Number of Claims	
Moving Expenses:	
Actual Expenses-Section 202(a)(1)	
Actual loss of tangible personal property-Section 202(a)(2)	
Actual searching expenses-Section 202(a)(3)	
In lieu payments-Section 202(c)	
Total - Estimated Nonprofit Organizations	
e. FARM OPERATIONS - Estimates: Number of Claims	
Moving Expenses:	
Actual Expenses-Section 202(a)(1)	
Actual loss of tangible personal property-Section 202(a)(2)	
Actual searching expenses-Section 202(a)(3)	
In lieu payments-Section 202(c)	
Total - Estimated Farm Operations	
f. ADVISORY SERVICES - Estimates: Number of Claims	
Total - Expenses of grantee/borrower-Section 205	

g. ADMINISTRATION - Estimates: Number of Claims	
Contracting with individual, firm, association, or corporation-Section 212	
Agreement w/ Federal or State government agency or instrumentality-Section 212	
Total - Estimated Administration	
ITEM 3. GRAND TOTAL	
Enter the sum of Items 1 and 2 (parts (a) through (g)) in this Item	
GRAND TOTAL RELOCATION EXPENSES	

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009
Expiration Date: 01/31/2019

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant:, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

Previous Edition Usable

Authorized for Local Reproduction

Standard Form 424D (Rev. 7-97)
Prescribed by OMB Circular A-102

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL Completed on submission to Grants.gov	TITLE Chairman, Board of County Commissioners
APPLICANT ORGANIZATION Pinellas County Board of County Commissioners	DATE SUBMITTED Completed on submission to Grants.gov

SF-424D (Rev. 7-97) Back

BUDGET INFORMATION - Construction Programs

NOTE: Certain Federal assistance programs require additional computations to arrive at the Federal share of project costs eligible for participation. If such is the case, you will be notified.

COST CLASSIFICATION	a. Total Cost	b. Costs Not Allowable for Participation	c. Total Allowable Costs (Columns a-b)
1. Administrative and legal expenses	\$ 668,000.00	\$	\$ 668,000.00
2. Land, structures, rights-of-way, appraisals, etc.	\$ 0.00	\$	\$ 0.00
3. Relocation expenses and payments	\$ 0.00	\$	\$ 0.00
4. Architectural and engineering fees	\$ 825,000.00	\$	\$ 825,000.00
5. Other architectural and engineering fees	\$ 0.00	\$	\$ 0.00
6. Project inspection fees	\$ 50,000.00	\$	\$ 50,000.00
7. Site work	\$ 950,000.00	\$	\$ 950,000.00
8. Demolition and removal	\$ 0.00	\$	\$ 0.00
9. Construction	\$ 9,009,000.00	\$	\$ 9,009,000.00
10. Equipment	\$ 0.00	\$	\$ 0.00
11. Miscellaneous	\$ 0.00	\$	\$ 0.00
12. SUBTOTAL (sum of lines 1-11)	\$ 11,502,000.00	\$	\$ 11,502,000.00
13. Contingencies	\$ 498,000.00	\$	\$ 498,000.00
14. SUBTOTAL	\$ 12,000,000.00	\$	\$ 12,000,000.00
15. Project (program) income	\$	\$	\$
16. TOTAL PROJECT COSTS (subtract #15 from #14)	\$ 12,000,000.00	\$	\$ 12,000,000.00
FEDERAL FUNDING			
17. Federal assistance requested, calculate as follows: (Consult Federal agency for Federal percentage share.) Enter eligible costs from line 16c Multiply X 75 % Enter the resulting Federal share.			\$ 9,000,000.00

CERTIFICATION REGARDING LOBBYING

Applicants should also review the instructions for certification included in the regulations before completing this form. Signature on this form provides for compliance with certification requirements under 15 CFR Part 28, 'New Restrictions on Lobbying.' The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Commerce determines to award the covered transaction, grant, or cooperative agreement.

LOBBYING

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 15 CFR Part 28, for persons entering into a grant, cooperative agreement or contract over \$100,000 or a loan or loan guarantee over \$150,000 as defined at 15 CFR Part 28, Sections 28.105 and 28.110, the applicant certifies that to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, 'Disclosure Form to Report Lobbying,' in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure occurring on or before October 23, 1996, and of not less than \$11,000 and not more than \$110,000 for each such failure occurring after October 23, 1996.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above applicable certification.

*** NAME OF APPLICANT**

Pinellas County Board of County Commissioners

*** AWARD NUMBER**

112470

*** PROJECT NAME**

TBIC Incubator

Prefix:

Mr.

*** First Name:**

Kenneth

Middle Name:*** Last Name:**

Welch

Suffix:

*** Title:** Chairman, Board of County Commissioners

*** SIGNATURE:**

Completed by Grants.gov upon submission.

*** DATE:**

Completed by Grants.gov upon submission.

ATTACHMENTS FORM

Instructions: On this form, you will attach the various files that make up your grant application. Please consult with the appropriate Agency Guidelines for more information about each needed file. Please remember that any files you attach must be in the document format and named as specified in the Guidelines.

Important: Please attach your files in the proper sequence. See the appropriate Agency Guidelines for details.

1) Please attach Attachment 1	Revised Estimates of TBIC Eco	Add Attachment	Delete Attachment	View Attachment
2) Please attach Attachment 2	Mayor Kriseman letter with at	Add Attachment	Delete Attachment	View Attachment
3) Please attach Attachment 3	TBIC Feasibility Report Orig	Add Attachment	Delete Attachment	View Attachment
4) Please attach Attachment 4	TBIC EDA_Nexus Disaster Incub	Add Attachment	Delete Attachment	View Attachment
5) Please attach Attachment 5	TBIC Incubator Letters of Sup	Add Attachment	Delete Attachment	View Attachment
6) Please attach Attachment 6	TBIC Incubator CEDS Support L	Add Attachment	Delete Attachment	View Attachment
7) Please attach Attachment 7		Add Attachment	Delete Attachment	View Attachment
8) Please attach Attachment 8		Add Attachment	Delete Attachment	View Attachment
9) Please attach Attachment 9		Add Attachment	Delete Attachment	View Attachment
10) Please attach Attachment 10		Add Attachment	Delete Attachment	View Attachment
11) Please attach Attachment 11		Add Attachment	Delete Attachment	View Attachment
12) Please attach Attachment 12		Add Attachment	Delete Attachment	View Attachment
13) Please attach Attachment 13		Add Attachment	Delete Attachment	View Attachment
14) Please attach Attachment 14		Add Attachment	Delete Attachment	View Attachment
15) Please attach Attachment 15		Add Attachment	Delete Attachment	View Attachment

September 7, 2018

TO: Tonya Elmore, CEO & President, Tampa Bay Innovation Center

FR: Jim Greenwood, President, Greenwood Consulting Group, Inc.

RE: Revised estimates of TBIC economic impact for EDA application

In 2014, I made initial estimates of the economic impact of the TBIC. Those estimates were used in the 2018 pre-application (aka proposal) to EDA for funding a new TBIC facility under the Disaster Recovery program. I have revisited those estimates and am reporting the revised figures below.

There are two major differences between when the original estimates were made and now. First, the TBIC has relocated from a 30,000 sf space in the STAR Center in 2014, to a 6,500 sf space on the downtown campus of St. Petersburg College. This not only resulted in a large reduction in clients because of the 78% reduction in incubator space, but it also resulted in some clients terminating their relationship with TBIC and a shift towards clients that did not desire or require onsite leasable space at the incubator.

The second major difference is that data on which we made the original estimates have become outdated, and some of the newer, replacement data are being collected and reported differently. More specifically, we used some data from the Economic Impact Report for the University of Central Florida Business Incubation Program, because it is a well-studied program with considerable success and accolades. But the most recent UCFBIP economic impact report no longer reports “economic output” of incubator clients, but instead uses “regional sales and “regional GDP,” and reports data over a two year (2015-16) period.

The impact of the first difference, the relocation to the smaller St Petersburg College site, resulted in dramatic reductions in the number of jobs being created by the TBIC. Per your email of August 23, 2018, I understand most recent data show about 114 jobs being created by 22 client companies of the TBIC. This contrasts with 400 jobs being reported in the TBIC in 2013. It also means significantly lower client revenues—estimated in your August 2018 email at \$6 million, versus a reported \$63 million in 2013.

The dramatic downsizing of the TBIC at the St Petersburg College site also creates a challenge in estimating the job counts when the incubator relocates to the 45,000 sf facility envisioned in the EDA application. GCGI understands many current clients are not onsite tenants because of the small facility size, and therefore we do not feel we can simply extrapolate the “jobs per square foot” in the current facility to the new large incubator. Instead, I have estimated the number of jobs that will be created/retained by the TBIC, once its operations have matured (i.e., after initial vacancies are filled, older clients graduate and new clients replace them), based on the number of clients we expect, per our updated feasibility study, in the new TBIC in Year 4. The calculation is done thusly:

Current jobs	114
Current clients	22
Job per client: $114/22 =$	5.2

Anticipated clients in new TBIC, in Yr 4 of operations	50
Anticipated jobs in Year 4: $5.2 * 50 =$	259 jobs

Therefore, GCGI estimates that there will be about 260 jobs being created and sustained by clients of the new TBIC incubator, by the 4th year of operations when the incubator has reached maturity in its operations.

In addition, GCGI wants to estimate the number of jobs that will be created by graduating companies. To make this estimate, we considered the ratio of jobs sustained by current clients of the UCF incubator, to the jobs sustained by graduates, which was about 1:1.8 in 2016. Therefore, for every 10 jobs in current incubator client companies, there are about 18 jobs in companies that have graduated from the incubator. GCGI used this ratio from a mature incubation program like UCF's (which should have more graduate companies), both because of the availability of the data and to account for the fact that TBIC has been incubating companies in the greater Tampa Bay region for almost as many years as has UCF in the Orlando area, and therefore the UCF ratio is assumed to approximate the ratio of prior TBIC clients that have graduated. This calculation is:

Anticipated Year 4 incubator client jobs	259
Multiplier for graduates	1.8
Anticipated Year 4 jobs in graduate companies: $259 * 1.8 =$	466 jobs

Therefore, in year 4 of operations of the new TBIC to be constructed with the EDA grant, about 260 jobs will exist with current clients of the incubator, and another 466 jobs will exist with companies that have graduated from the TBIC. The total number of Year 4 jobs, then, will be $259 + 466 = 725$ jobs.

However, there is one more step required in estimating job impacts. Not only does the TBIC create and sustain jobs in its clients and graduates, but those companies then purchase goods and services from other businesses which in turn create jobs. Similarly, the employees of TBIC's clients and graduates spend their salaries in the region, which again creates jobs. These indirect and induced jobs have been estimated by UCF, in their latest incubator economic impact study, to be 0.992 job for every job created by an incubator company. Therefore, for every 100 jobs created directly in incubator clients and graduates, another 99 jobs are created in the region to serve the incubator companies and their employees. A second estimate of this indirect/induced job multiplier comes from the National Business Incubation Association, now known as the INBIA, which estimated it at 0.5 in its 1996 "Business Incubation Works" study.

Adding in these multipliers means the job creation from the TBIC becomes:

Anticipated Year 4 jobs in client companies & graduates	725 jobs
UCFBIP indirect/induced job multiplier	0.992
NBIA indirect job multiplier	0.500
Range of indirect/induced jobs created by TBIC in Year 4	362-718 jobs
Range of total jobs created by TBIC in Year 4, including those in	

clients & graduates, and indirect & induced jobs	1,087-1,443 jobs
Average of the range	1,265 jobs

Therefore, total jobs being sustained in the 4th year of operations of the TBIC is estimated to be approximately 1,265 total positions.

To estimate Year 4 client revenues, GCGI used two estimates of annual revenues per TBIC job. The first is the estimated you made in your August 23, 2018 email, which was \$6 million total revenues for your clients' 114 jobs. The second is a number I took from the most recent UCFBIP economic impact study, in which I took the annual regional sales of UCF incubator clients and graduates for the 12 month period of 7/1/15 to 6/30/16. These efforts generated per job estimates of client revenues of:

TBIC estimate: \$6 million / 114 jobs =	\$52,632 revenue per job
UCFBIP estimate: \$351 million / 2,364 jobs =	\$148,477 sales per job

This is a very large difference between the two numbers, but I believe it can be explained: first, you have a large number of pre-revenue clients at this time, which decreases your average revenue figure. Second, UCF's figure includes revenues by graduate companies, which certainly should be generating revenues, and therefore is going to be considerably higher than your number, which is only for current clients. According to the UCF report, there is almost twice as many graduate jobs as current client jobs, so this difference is major and very important, I believe.

Using these revenue estimates, and the preceding employment estimates, GCGI is able to estimate the range of annual revenues in Year 4 of the new TBIC:

1,265 jobs * \$52,632 =	\$66.6 million
1,265 jobs * \$148,477 =	\$187.8 million
Average	\$127.2 million

Therefore, GCGI estimates that, in Year 4 of operations of the new TBIC incubator, it will be sustaining 1,265 jobs, and its clients and graduates will be generating \$127.2 million in revenues/sales.

In closing, I think it is important to note that these figures represent only a snapshot of the jobs and revenues accruing from the TBIC. As an incubator, the TBIC helps companies grow and prosper, and then graduates them out so that new entrepreneurs can be accommodated and helped. Therefore, it is natural to expect dramatic annual growth in the jobs and revenues being generated by the TBIC.

Finally, I've tried to estimate the salary differences between the Pinellas County targeted industries (on which the new incubator will focus), and the two industries highlighted in the EDA application as being indicative of the economic problems facing the County.

Per the following table, I took the 10 targeted industries, and attempted to equate them to some 2- or 3-digit NAICS code. As you will see, I did not do this for 3 industries (marine science, life science, and

environment), because I felt these were likely captured in the NAICS data for other industries like technology and health services. I then calculated the average wage being paid in these industries per the 2016 County Business Patterns data available from the US Census Bureau for Pinellas County (<https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>). As shown in the table, the salaries range from \$25,000 to \$85,000, with the average being about \$54,000. In comparison, the annual average salary for the NAICS codes that I equated to tourism and real estate is only \$29,000. Therefore, if the incubator maintains focus on the 10 targeted industries, it should be able to create jobs that, on average, are paying 86% more than the tourism and real estate jobs that the County hopes to de-emphasize in the region's economy.

NAICS	Description	Average Annual Salary	
62	Health sciences	\$49k	
812	Personal Services	\$25k	
551	Business Services	\$85k	
31-33	Manufacturing	\$53k	
54	Technology	\$62k	
51	Information Technology	\$57k	
23	Construction	\$46k	
	Marine Science		
	Life Science		
	Environment		
Average			\$54k
72	Tourism	\$18k	
53	Real Estate	\$39k	
Average			\$29k



Regional Economic Impact Study

of the UCF's Business Incubation Program

July 2014 to June 2016



PREVIEW Date: Sep 13, 2018

Workspace ID: WS00189217 Funding Opportunity Number: EDA-2018-DISASTER

Prepared for

THE FLORIDA HIGH TECH
CORRIDOR

**A Review of the University of Central Florida Business
Incubation Program Economic Impacts from
July 01, 2014 through June 30, 2016**

To

Gordon Hogan, Director, UCF Business Incubation Program
Ed Schons, President, Florida High Tech Corridor
Thomas O'Neal, Ph.D., Associate Vice President of Research & Commercialization

By

Vernet Lasrado, Ph.D.

Review & Foreword

By

William H. Owen
(W. H. Owen Consulting, Inc.)

May 16, 2017

FOREWORD

This updated analysis for 2014-16 prepared by Dr. Vernet Lasrado is a thorough and credible report regarding the continuing growth and effectiveness of the UCF Business Incubation Program more than fifteen years after its inception. Dr. Lasrado has once again updated his economic analysis using IMPLAN v3 – a highly regarded and oft-used input-output model that allows for impact analysis at a local and regional level, using primary data collected locally, as well as national trends within specific industry groups.

Dr. Lasrado has been careful to make conservative yet accurate comparisons between the current impact findings and estimates that were provided as the products of earlier analyses in 2009, 2011, 2013 and 2014. Where many like studies rely on averages or national data, I applaud his efforts to secure and validate local, “real-world” data and the straightforward presentation of the data incorporated, the methodology employed, and the summary findings of his analysis.

There is no denying the remarkable success of the UCF Business Incubation Program (UCFBIP) – not only as a very productive creator of new jobs in high technology and other quality industries, but also as a model for focused and cost-effective economic development. Not only is UCFBIP a model for cooperative partnerships between the higher education system, local government, private enterprise, and a myriad of support agencies, it accomplishes its mission by leveraging local public investment at a rate of \$7.41 returned in local taxes for every \$1.00 invested. That leverage continues to increase as the system matures and produces more graduated firms in high technology industry sectors.

When the total public investment over two years beginning in July 2014 – (\$4.9 million; see table 2-3) is compared to the level of tax revenues returned to state and local governments in the same two-year period (\$36.3 million; see table 3-4) – it can be seen that the system-wide return on public investment is about 740%. Not many public (or private) investment initiatives can even dream of such cost-effectiveness. Dr. Lasrado also points out in Section 3 that each \$1.00 of public investment also produces \$71 of additional regional GDP (value added) and \$141 of regional sales (output). The total economic output of the firms sustained by the UCFBIP is now exceeding \$1.3 Billion in Central Florida. This is admirable success in the field of economic development.

There is also no denying that UCFBIP continues to be a job-creating “machine” of a high order. Based on the ongoing research by Dr. Lasrado, by the summer of 2016, UCFBIP has directly or indirectly produced and sustained more than 4,700 full-time, permanent, high quality jobs within the central Florida regional economy.

This current update once again clearly demonstrates that through good management; careful client selection and training; focused education of clients; and on-going follow-up support, the

UCFBIP has managed to sustain a viable network of facilities while maintaining its high standards of accountability and success. With a mature network of seven incubators now operating within five Central Florida counties, the UCFBIP has built a foundation of success for local economic development efforts and has provided a platform for aspiring entrepreneurs to conceive, develop, nurture, and grow their business dreams.

EXECUTIVE SUMMARY

Since its formation in 1999, the University of Central Florida Business Incubation Program (UCFBIP) has provided almost 400 early stage companies with the enabling tools, training and infrastructure to create financially stable high growth/impact enterprises. With multiple locations across Central Florida, the UCFBIP is supported by a number of partners including city and county governments and the Florida High Tech Corridor Council. These partners commissioned the previous studies of the UCFBIP's economic impact in 2009, 2011, 2013, and 2014. ***This study quantifies the impact of the client firms¹ of the UCF Business Incubation program across all its locations from July 01, 2014 through June 30, 2016.***

This study reveals that the operations of the firms participating in the UCFBIP program:

1. Sustained a total² of 4,710 jobs³ at the end of study period
 - a. Directly⁴ sustained 2,364 Jobs in the region at the end of study period, and
 - b. Indirectly⁵ sustained an additional 975 jobs throughout the region;
2. Had a total impact on regional GDP of over \$725 million⁶,
 - a. Direct regional GDP of over \$352 million, and
 - i. For fiscal years 2014-2016, every \$1 of public investment directly⁷ resulted in an estimated \$71 in regional GDP
 - b. Indirectly impacted of over \$156 million of additional regional GDP
3. Had a total impact on regional sales of over \$1.3 billion,
 - a. Direct regional sales of over \$694 million, and
 - i. For fiscal years 2014-2016, every \$1 of public investment directly⁸ resulted in an estimated \$141 in regional sales
 - b. Indirectly impacted over \$264 million of additional regional sales
4. Had a total impact on State and Local taxes of over \$36.29 million
 - a. For fiscal years 2014-2016, every \$1 of public investment resulted in an estimated \$7.41 is returned in taxes

¹ Current Clients, Exited Clients, and Graduated Clients as of June 30, 2016

² In economic impact lingo, we are referring to the Total Effect

³ Based on a snapshot of jobs as of June 30, 2016

⁴ In economic impact lingo, we are referring to the Direct Effect

⁵ In economic impact lingo, we are referring to the Indirect Effect

⁶ All reported dollar amount have been adjusted to 2017 dollars

⁷ Calculated by dividing Direct Regional GDP by Total Adjusted Funding

⁸ Calculated by dividing Direct Regional Sales by Total Adjusted Funding

TABLE OF CONTENTS

1	Introduction.....	1
1.1	Review of the state of the UCFBIP for the study period.....	2
2	Methodology.....	2
2.1	Constraints of the study.....	3
2.1.1	Type of Firms modelled.....	3
2.1.2	Study Period.....	3
2.1.3	Study Area.....	3
2.1.4	Software Used.....	3
2.2	Assumptions	3
2.2.1	Use of MSAs.....	3
2.2.2	Use of 2017 Dollars for analysis.....	4
2.3	Data collection and assimilation	5
2.4	Analysis.....	6
3	Results	7
3.1	Summary results as estimated by IMPLAN v3.....	7
3.1.1	Jobs Sustained.....	7
3.1.2	Regional GDP Impact.....	7
3.1.3	Regional Sales Impact.....	8
3.1.4	State and Local Tax generated.....	8
4	Conclusions	10
5	Appendix: Implan Information	12

LIST OF TABLES

TABLE 1-1: UCFBIP INCUBATOR SITES HISTORY AND STATUS	2
TABLE 2-1: UCFBIP INCUBATOR SITES, COUNTY AND MSA INFORMATION	3
TABLE 2-2: INFLATION ADJUSTMENT MULTIPLIERS	4
TABLE 2-3: UCFBIP SUMMARY OF PUBLIC FUNDING ADJUSTED TO 2017 DOLLARS	4
TABLE 2-4: REPORTED JOBS SUSTAINED AS A RESULT OF UCFBIP CLIENTS FROM 2000 THROUGH 2008.....	5
TABLE 2-5: REPORTED JOBS SUSTAINED AS A RESULT OF UCFBIP CLIENTS FROM 2009 THROUGH 2016.....	6
TABLE 3-1: ESTIMATE OF FULL-TIME JOBS SUSTAINED AS A RESULT OF ALL LOCAL UCFBIP CLIENTS	7
TABLE 3-2: REGIONAL GDP IMPACTED BY ACTIVITIES OF ALL LOCAL UCFBIP CLIENTS.....	8
TABLE 3-3: REGIONAL SALES IMPACTED BY ACTIVITIES OF ALL LOCAL UCFBIP CLIENTS	8
TABLE 3-4: TOTAL STATE AND LOCAL TAX GENERATED BY ACTIVITIES OF ALL LOCAL UCFBIP CLIENTS.....	9
TABLE 3-5: TAXES PER \$1 INVESTED IN THE UCFBIP	9

LIST OF FIGURES

FIGURE 2-1: SUMMARY OF UCFBIP EMPLOYMENT SUSTAINED SINCE INCEPTION.....	6
FIGURE 5-1: IMPLAN MODEL FRAMEWORK	13

1 INTRODUCTION

The goal of the UCF Business Incubation Program (UCFBIP) and its community partners is to facilitate smarter, faster startup and growth of emerging companies so those companies will become financially successful, high growth companies in the community. The mission is to have a University-driven community partnership providing early stage companies with the enabling tools, training and infrastructure to create financially stable high growth/impact enterprises.

Since its inception, UCFBIP clients have been provided an array of business development services and resources to help accelerate growth. The formal incubation process takes place through a series of strategic and tactical working sessions. The strategic sessions are designed to help define the company business, market and capital strategies and to build the business plan. Expertise and resources are identified for the company to utilize in addressing tactical needs as they are identified through the strategy sessions or through other informal interactions with Incubator staff and advisors. Regular education and networking programs also are designed to address the shared needs identified among UCFBIP clients. Graduation takes place when a client has achieved a level of financial and corporate growth that enables them to leave the incubator and enter the second stage of corporate growth.

With multiple locations across Central Florida, the UCFBIP is supported by a number of partners including city and county governments and the Florida High Tech Corridor Council, which commissioned the previous studies of the UCFBIP's economic impact in 2009, 2011, 2013, and 2014.

W. H. Owen while employed at Real Estate Research Consultants, Inc. (RERC) first performed the review of the economic impact of the UCFBIP on the surrounding counties in 2009. In 2011, a subsequent review was performed again by W. H. Owen with W. H. Owen Consulting, Inc. (WHO), retained by the Florida High Tech Corridor Council (FHTCC) to prepare an economic impact analysis of the UCFBIP. The latter study accounted for the impact of the UCFBIP up to October 2011. In 2013, a study was conducted to account for the impact of the UCFBIP from October 2011 through June 30, 2013. The study in 2014 quantified the cumulative impact of the UCFBIP since its inception in 1999 over a 15 year period from July 1, 1999 through June 30, 2014. These impact analyses measured the spending patterns and tax impacts of past UCFBIP clients.

The current study quantifies the cumulative impact of the UCFBIP from July 1, 2014 through June 30, 2016. It does so by aggregating the modelled economic impact of the activities of the firms that have participated (current and graduated) in the UCFBIP for each fiscal year.

1.1 Review of the state of the UCFBIP for the study period

Table 1-1 below indicates the Incubators and their status for the duration of the study period and current status. It should be noted that for the purposes of this study, current client firms are included only for the years each incubator is active. Once an incubator is not an active participant of the UCFBIP network, its current client firms are excluded from the study unless they transferred to an active incubator in the UCFBIP network. While eleven incubators contributed to the impacts documented in past studies only seven incubators are currently⁹ operated as the UCFBIP network.

Table 1-1: UCFBIP Incubator sites history and status

Incubator	Open Year	Status
Central Florida Research Park	1999	Active
Downtown	2004	Merged in 2009 with Orlando Incubator
Photonics UCF Campus	2007	Active
Orlando	2007	Active
Winter Springs	2008	Active
Leesburg	2009	Turned site over to city in December, 2012
Sanford	2009	Closed Site in 2012
St. Cloud	2010	Closed Site in 2015
Kissimmee	2010	Active
Daytona	2011	Active
Apopka	2012	Active

The remainder of the report will discuss the methodology used and present the outcomes of the current study.

2 METHODOLOGY

In essence, this study models the economic impact of the activities of the firms that have participated in the UCFBIP for each year since July 1, 2014 through June 30, 2016. These economic impacts are reported in the form of direct impact, indirect impact, and induced impact. The following section will detail the constraints of the study, the assumptions made, data collection endeavor, a summary of the collected/reported data, and the analysis technique.

⁹ As of June 30, 2016

2.1 Constraints of the study

2.1.1 Type of Firms modelled

In general, UCFBIP client firms fall into two categories: current firms and graduated firms. For a given fiscal year, current firms are those actively participating in the UCFBIP. Likewise, graduated firms are those that have successfully completed the UCFBIP curriculum in a prior fiscal year. There is also the case when some current firms exit the program prior to graduation. In this event, these firms are excluded from the study from that fiscal year onwards. Another point to note is that at any point of time, firms that leave the study area are excluded from the study post their departure year.

2.1.2 Study Period

The current study encompasses the period from July 1, 2014 through June 30, 2016.

2.1.3 Study Area

The individual incubators in the UCFBIP are located in various cities, counties, and MSA's across Central Florida. As described by Table 2-1, the five incubator counties fall under two MSA's (Orlando-Kissimmee-Sanford and Deltona-Daytona Beach-Ormond Beach) henceforth referred to as the *study area*.

2.1.4 Software Used

As in the most recent study, the current study uses IMPLAN version 3. The use of IMPLAN reflects the general trend towards its application by multiple departments within the UCF Office of Research and Commercialization thereby leading to a more standardized output across the reports generated.

2.2 Assumptions

2.2.1 Use of MSAs

This study builds upon the use of Metropolitan Statistical Areas (MSAs) as the basis unit of measurement of the study area. Using just the county information assumes that all of the client employees and business takes place within the county. In reality, many of the client employees and business takes place across county boundaries and this is effectively captured by using MSAs as the basis of the study area. Each MSA area consists of one or more counties and includes the counties containing the core urban area, as well as any adjacent counties that have a high degree of social and economic integration (as measured by commuting to work) with the urban core¹⁰.
Table 2-1: UCFBIP Incubator sites, county and MSA information

¹⁰ US Census Bureau website <http://www.census.gov/population/metro/>

Incubator	City	County	MSA
Apopka	Apopka	Orange	Orlando-Kissimmee-Sanford, FL
Central Florida Research Park	Orlando	Orange	Orlando-Kissimmee-Sanford, FL
Daytona	Daytona	Volusia	Deltona-Daytona Beach-Ormond Beach, FL
Orlando	Orlando	Orange	Orlando-Kissimmee-Sanford, FL
Kissimmee	Kissimmee	Osceola	Orlando-Kissimmee-Sanford, FL
Photonics	Orlando	Orange	Orlando-Kissimmee-Sanford, FL
Winter Springs	Winter Springs	Seminole	Orlando-Kissimmee-Sanford, FL

2.2.2 Use of 2017 Dollars for analysis

All the analysis performed reports any dollar amounts in 2017 dollars. This can be performed by using the Consumer Price Index (CPI)¹¹ as a measure to indicate the amount of inflation or deflation. As it can be seen in Table 2-2, the CPI multiplier column is the amount of inflation required to equate the corresponding year's dollar amount to 2017. This is derived by dividing the 2017 CPI value by the corresponding years CPI value. If the number is greater than 1 there is inflation, otherwise there is deflation. By way of illustration, \$100.00 in 2014 would equate to approximately \$102.90¹² in 2017 dollars. It is important that the funding is reported for the fiscal year (FY), i.e., July 1 (Current Year) though June 30 (Next Year). Hence, the CPI multipliers for each of the two years in a given fiscal year are blended to adjust the annual fiscal dollar amounts to 2017 dollar amounts.

Table 2-2: Inflation Adjustment Multipliers

Year	CPI Multiplier
2014	1.0290
2015	1.0278
2016	1.0150
2017	1.0000

Table 2-3: UCFBIP summary of public funding adjusted to 2017 dollars

Fiscal Years	Actual Funding	Adjusted Funding
2014-2015	\$2,390,671	\$2,462,391
2015-2016	\$2,390,671	\$2,438,484
Total	\$4,781,342	\$4,900,875

¹¹ Retrieved from https://www.bls.gov/data/inflation_calculator.htm

¹² \$100.00 x 2014 Multiplier = \$100.00 x 1.0290= \$102.90

2.3 Data collection and assimilation

The site managers performed the arduous task of collecting/retrieving information on current and graduated client firms for all the fiscal years. The data collection endeavor was a great success in providing accurate and complete data for the analysis to be performed. *If available*, for each firm for each fiscal year the data collected included information on:

- Industry Classification
- Number of employees
- Sales
- Grants received
- investment received
- Year joined the UCFBIP
- Year graduated from the UCFBIP
- Employer Identification Number (EIN)
- DUNS Number

For the current or graduated firms for which no information was reported the EIN and DUNS numbers were used to search the ES202 and LEXISNEXIS databases for further information on the employment and sales of these firms. It should be noted that for most of the newer UCFBIP client firms, the site managers had reported most of the information as described above. However, for the older UCFBIP firms the information reported was sparse and generally included information only on employment as the firms were not obligated to respond to data collection efforts by the site managers. This is not an issue as the analysis software (to be discussed) IMPLAN v3 can accept either earnings or employment counts as inputs to determine the economic impact.

Summary results as reported by the site managers present snapshots of the jobs sustained by the current and graduated firms in the program for the given years. The summary of the jobs sustained by UCFBIP current and graduated firms since inception is presented in Figure 2-1.

Table 2-4: Reported jobs sustained as a result of UCFBIP clients from 2000 through 2008

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Current	12	31	49	105	102	117	193	265	129
Graduated	2	10	32	72	180	234	291	437	537
Total	14	41	81	177	282	351	484	702	666

Table 2-5: Reported jobs sustained as a result of UCFBIP clients from 2009 through 2016

	2009	2010	2011	2012	2013	2014	2015	2016
Current	187	314	518	744	728	884	777	942
Graduated	668	873	1,019	1,145	1,341	1,334	1,431	1,690
Total	855	1,187	1,537	1,889	2,069	2,218	2,208	2,632

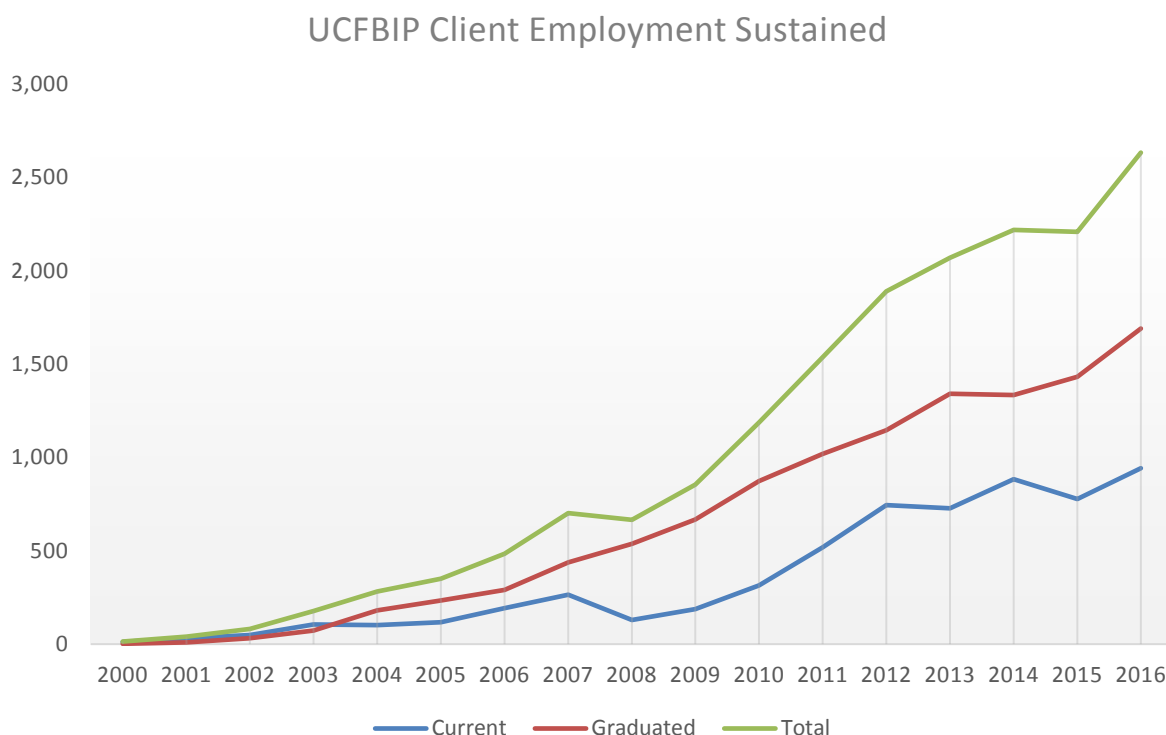


Figure 2-1: Summary of UCFBIP employment sustained since inception

2.4 Analysis

For an in-depth explanation of IMPLAN, please refer to the appendix on IMPLAN presented on page 12. The study was performed using IMPLAN Version 3. This software enables the user to define the study area (that may contain multiple counties). As discussed earlier, multiple counties have been grouped into MSAs. These MSAs in turn when grouped form the base unit of the study area. Furthermore, in order to accurately capture the impacts that occur in a particular study area, only expenditures resulting from the amount of demand or sales occurring locally should be considered in the study. This study leverages IMPLAN's ability to isolate the impacts that occur only as a result of local expenditures, thereby providing a conservative estimate for the impact of the UCFBIP on the study area.

From the data collected and reported by the site managers, information was extracted for the current and graduated firms for each year of operation of the UCFBIP. This information was then complied and formatted so as to be entered into IMPLAN. Then, an impact scenario was created for each fiscal year for each MSA for 2014/15 and 2015/16 to model the impact of the operations of the firms associated with the UCFBIP on the study area. As a result, multiple scenarios were analyzed and aggregated together to form the outcomes that represent the economic impact of these firms for the study period across the study area. IMPLAN v3 gives reliable estimates of jobs sustained, regional sales, total economic output generated, state and local taxes generated, and federal taxes generated.

3 RESULTS

3.1 Summary results as estimated by IMPLAN v3

3.1.1 Jobs Sustained

As indicated by Table 3-1, it is estimated that the activities of the UCFBIP current and past graduated firms have sustained 4,710 jobs in the study area at the end of study period of which 2,364 Jobs¹³ were directly sustained by UCFBIP current and graduated firms.

Table 3-1: Estimate of Full-Time Jobs Sustained as a result of all¹⁴ local UCFBIP clients

Fiscal Years	Direct Effect	Indirect Effect	Induced Effect	Total Effect
2014-2015	2,223	960	1,281	4,464
2015-2016	2,364	975	1,371	4,710

3.1.2 Regional GDP Impact

At indicated by Table 3-2, it is estimated that for the study period, the activities of the UCFBIP current and past graduated firms had a total impact of over \$725 million¹⁵ in regional GDP¹⁶ in the study area. Of this, over \$352 million in regional GDP can be directly attributed to the activities of the UCFBIP current and past graduated firms.

¹³ This computed number for total direct job is approximately 10% lower than the figures in Table 2-5 as IMPLAN accounts for seasonal employees by Industry by area

¹⁴ Current and Graduated clients

¹⁵ Reported in 2017 dollars

¹⁶ Regional GDP is defined as the Gross Domestic Product generated in the study area (Orlando & Daytona MSA's) as a result of the activities of the UCF BIP Clients

Further, for the study period, it should be noted that every \$1 of public investment directly resulted¹⁷ in an estimated \$71 in regional GDP.

Table 3-2: Regional GDP impacted by activities of all local UCFBIP clients

Fiscal Years	Direct Effect	Indirect Effect	Induced Effect	Total Effect
2014-2015	\$170,418,384	\$78,781,592	\$104,506,487	\$353,706,463
2015-2016	\$181,603,315	\$78,118,973	\$111,913,844	\$371,636,132
Total	\$352,021,699	\$156,900,565	\$216,420,331	\$725,342,595

3.1.3 Regional Sales Impact

As indicated by Table 3-3, it is estimated that for the study period, the activities of the UCFBIP current and past graduated firms had a total impact of over \$1.31 billion in regional sales¹⁸ in the study area. Of this, over \$691 million in regional sales can be directly attributed to the activities of the UCFBIP current and past graduated firms.

Further, for the study period, it should be noted that every \$1 of public investment directly resulted¹⁹ in an estimated \$141 in regional sales.

Table 3-3: Regional sales impacted by activities of all local UCFBIP clients

Fiscal Years	Direct Effect	Indirect Effect	Induced Effect	Total Effect
2014-2015	\$341,471,796	\$132,654,478	\$174,522,141	\$648,648,415
2015-2016	\$350,364,954	\$131,766,453	\$186,892,278	\$669,023,685
Total	\$691,836,750	\$264,420,931	\$361,414,419	\$1,317,672,100

3.1.4 State and Local Tax generated

IMPLAN also reports on the State/Local Taxes collected as a result of the modeled scenario. In the *Employee Compensation* field, IMPLAN reports on the amount of the employer collected and paid social security taxes on wages. For, state/local taxes these values are mostly contributions to government retirement funds. Taxes on *Production and Imports* are collected by the businesses on behalf of the State and local governments. These taxes include sales tax, property tax, motor vehicle tax, severance tax, business licenses taxes, and documentary and stamp taxes. Taxes reported under *Households* include personal income tax (none for Florida), personal vehi-

¹⁷ Calculated by dividing Direct Regional GDP by Total Adjusted Funding from Table 2-3

¹⁸ Regional Sales is defined as the sales generated in the study area (Orlando & Daytona MSA's) as a result of the activities of the UCF BIP Clients

¹⁹ Calculated by dividing Direct Regional Sales by Total Adjusted Funding from Table 2-3

cle fee payments, personal property taxes, fines, donations, and licensing fees. Taxes on *Corporations* include corporate tax payments on profits and dividends paid to governments on government investments. As indicated by Table 3-4, the total State and Local taxes generated is over \$36 million²⁰.

Table 3-4: Total State and Local Tax generated by activities of all local UCFBIP clients

Fiscal Years	Total State and Local Tax				Total
	Employee Compensation	Production and Imports	Households	Corporations	
2014-2015	\$147,785	\$16,719,267	\$842,513	\$268,395	\$17,977,960
2015-2016	\$158,008	\$16,988,855	\$902,397	\$265,322	\$18,314,582
Total	\$305,793	\$33,708,122	\$1,744,910	\$533,717	\$36,292,542

Further, for the study period, it should be noted that every \$1 of public investment resulted²¹ in an estimated \$7.41 returned in taxes to state and local governments.

Table 3-5: Taxes per \$1 Invested in the UCFBIP

Fiscal Years	Taxes	Adjusted Investment	Taxes / \$1 Invested
2014-2015	\$17,977,960	\$2,462,391	\$7.30
2015-2016	\$18,314,582	\$2,438,484	\$7.51
Total	\$36,292,542	\$4,900,875	\$7.41

²⁰ *ibid*

²¹ Calculated by dividing Total State and Local Taxes by Total Adjusted Funding from Table 2-3

4 CONCLUSIONS

The UCF Business Incubation Program provides client companies with the experience and insight needed to create successful companies through relationships it has created with its network of experienced entrepreneurs, professional service providers, economic development partners, small business service providers, university experts as well as a dedicated staff.

Structured as an economic development partnership between the University, private enterprises, and local governments throughout the region, the UCF Business Incubation Program provides emerging companies with a wide variety of support and guidance to help facilitate their growth and success. Incubation team members and partners from the professional community provide expert help and insight in a variety of areas, including leadership training, market research, business plan development, and funding strategies.

Tom O'Neal, Ph.D., founder and executive director of the UCFBIP also recognizes the importance of these partnerships. *"I would like to recognize and thank the economic development organizations and community partners in the counties we serve. The invaluable contributions they make toward helping us support emerging companies, stimulate job growth and strengthen local economies enable us to fortify the region's innovation culture by providing ready access to our incubation services. We could not achieve the caliber of impact or generate impressive fiscal returns year after year without their continued collaboration and support,"* said Dr. O'Neal.

With the wealth of talent and resources developed by UCF and the benefits of its prime locations, the UCF Business Incubation Program is making a significant contribution to the economic development of the region. Combined with efforts by other organizations such as: Florida Angel Nexus, UCF Venture Accelerator; UCF Center for Entrepreneurship & Innovation, the Florida High Tech Corridor Council; the Metro Orlando Economic Development Commission, the National Entrepreneur Center; SBDC at UCF; and many others, the region is already recognized as one of the nation's premier locations for developing high growth/impact enterprises.

For the 2014/15 and 2015/16 fiscal years²², participating client firms have sustained more than 4,710 local jobs and have had a cumulative impact of over \$725 million in regional GDP and over \$1.31 billion on regional sales.

This current update illustrates that through good management; careful client selection and training; focused education of clients; and on-going follow-up support, the UCFBIP has managed to develop a stabilized network of facilities while maintaining its high standards of accountability and success.

²² It is also important to note that several UCFBIP graduates have moved out of Florida since 2000. These firms have created thousands of jobs since their departure from Florida.

It's these standards that have enabled UCFBIP receive numerous awards over the years. In 2004, UCFBIP was nationally recognized as the *Incubator of the year*. In 2012, UCFBIP client BDG Construction Services was nationally recognized as *Non-Tech Incubator Graduate of the year*. In 2012, UCFBIP client Hometown Health TV was nationally recognized as *Non-Tech Incubator Client of the year*. In 2013, UCFBIP was nationally recognized as the *Incubator Network of the Year*. In 2014, UCFBIP client Optigrate was nationally recognized as *Technology Incubator Graduate of the Year*. In 2014, UCFBIP was especially honored to have the representative from their city and county partners proclaim October 1, 2014 as UCF Business Incubation Program Day.

Once again, the UCFBIP has demonstrated that it provides an extremely productive and efficient tool for creating and supporting quality jobs and economic activity for the Central Florida region and beyond. During the most turbulent economic times in recent memory, the UCFBIP has been a job-producing "machine" bringing forth in the local economy a variety of businesses and employers that demonstrate sound management practices and potential for continued growth.

5 APPENDIX: IMPLAN INFORMATION

*What is IMPLAN?*²³

IMPLAN® is an acronym for IMPact analysis for PLANning. The IMPLAN® System is a general input-output model that is comprised of software and regional data sets. One of the most powerful aspects of IMPLAN®, is that input-output Models for specific regional economies can be created for the intervention for which the economic impact is being modelled.

The input for IMPLAN model is usually determined by the intervention being modelled. There are four requirements for the input: the location of the intervention, the time period for the intervention, the industry affected by the intervention, and the number of jobs and/or the revenue generated by the intervention being modelled. This input will represent the *direct* impact as described in the Table 1-1 below. Given this input IMPLAN will model the output which entails the *indirect* and *induced* impact while also informing on the regional impact of the intervention in the form of regional economic output (sales), regional value added (GDP), state and local taxes generated, and federal taxes generated.

Rather than extrapolating regional data from national averages, IMPLAN® measures economic impacts from data representing actual local economies. IMPLAN® data sets are available from the ZIP Code level to the national level, and regional files can be combined to create precise geographic definitions when calculating impacts. The analysis results provide the IMPLAN® user or client with a report that demonstrates the detailed effects of local changes on supporting industries and households. Reports can provide both detailed and summary information related to job creation, income, production, and taxes. IMPLAN® Version 3.0 can even track the impacts of a local change on surrounding regional economies.

Table 1-1: Definition of IMPLAN Terms

IMPLAN Term	Definition
Backward Linkages	The tracking of industry purchases backward through the supply chain.
Direct Impact	The initial expenditures, or production, made by the industry experiencing the economic change.
Indirect Impact	The effects of local inter-industry spending through the backward linkages.
Induced Impact	The results of local spending of employee's wages and salaries for both employees of the <i>Directly Impacted</i> industry, and the employees of the Indirectly affected industries.

²³ The following section contains excerpts from various sections of "Day, F. (2012). *Principles of Impact Analysis and IMPLAN Applications*. Davidson, NC, USA: MIG"

IMPLAN® data tracks all the available industry groups in every level of the regional data. This permits detailed impact breakdowns and helps ensure accuracy of inter-industry relationships. If a study involves the introduction of an industry group that does not already exist in the local area, IMPLAN® provides tools to create a new industry. This new industry can be used as a proxy to estimate the likely impacts of the new industry's production to the local economy. And if the industry exists in IMPLAN®, but doesn't exactly match the sales and employment information for the industry being modeled, the IMPLAN® industry relationships may be updated to match the known values, while still maintaining the local regional sales and employment averages for examining the Indirect and Induced impacts.

Figure 1-1 illustrates the framework of the IMPAN model. Economic impact studies typically generate large amounts of information about local industries, employment, wages, profits, labor spending, and taxes that may be useful for a variety of purposes and circumstances. Most reports, therefore, seek to condense this information into a format that demonstrates the overall effect of the economic change as it relates to jobs or other monetary means, and in a manner that is meaningful to the report's intended audience. To generate the detailed background information that supports the overall affects economic factors have on the local region, or even on surrounding regions, economic impact analysis looks backwards rather than forwards through the economy. In other words, to determine the effect of increased production in a local industry, economic analysis looks at the industries which supply the producing industry with the items and services that industry incorporates into its production.

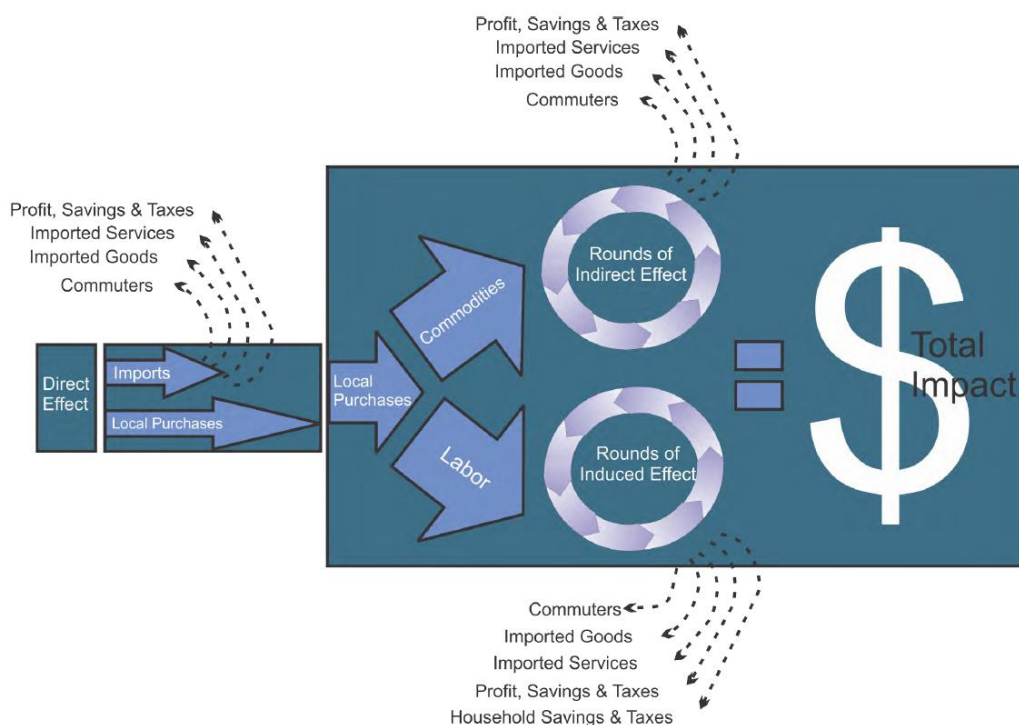


Figure 5-1: IMPLAN Model framework

So an increase in window production will result in the manufacturer purchasing a variety of supplies including wood, glass, and furnishings for the windows, all of which will be incorporated into the final product. Collectively, tracing the impacts back through the supply chain is tracing the *backward linkages*. Each supplier in the chain represents a backward linkage. Since each supplier of an industry has to purchase inputs from other suppliers in order to create their own products (e.g. the window furniture company has to purchase sheet metal from which it stamps out its parts), the accumulation of these backward linkages can be tracked until the resultant spending of the original impact is completely removed from the economy by imports, savings, taxes and profits.

These consecutive rounds of inter-industry spending traveling back through the supply chain are called the *Indirect Effects*. These impacts are “indirect” because the increase in this industry’s production is stimulated by the increase of sales in another industry. Increases in production not only require an increase in purchases of supplies, but typically also require an increase in employment and/or labor spending. This increase in labor dollars also has traceable economic effects, because increased labor dollars typically translate into increased income spending. The spending of income earned by the employees, resulting from both *Directly and Indirectly affected* industries, contributes to the *Induced Effect*. The Induced Effect, therefore, is a measurement of employee spending of all employees of the *Directly affected* industry, and all the employees of subsequent Indirectly impacted industries in the supply chain, as long as these employees live within the defined geography of the study.

IMPLAN also reports on the State/Local Taxes collected as a result of the modeled scenario. In the *Employee Compensation* field, IMPLAN reports on the amount of the employer collected and paid social security taxes on wages. For, state/local taxes these values are mostly contributions to government retirement funds. Taxes on *Production and Imports* are collected by the businesses on behalf of the State and local governments. These taxes include sales tax, property tax, motor vehicle tax, severance tax, business licenses taxes, and documentary and stamp taxes. Taxes reported under *Households* include personal income tax (none for Florida), personal vehicle fee payments, personal property taxes, fines, donations, and licensing fees. Taxes on *Corporations* include corporate tax payments on profits and dividends paid to governments on government investments.



Business Incubation Program

UNIVERSITY OF CENTRAL FLORIDA

FOR MORE INFORMATION:



INCUBATOR.UCF.EDU



407.882.0888

.....
UNIVERSITY OF CENTRAL FLORIDA

BUSINESS INCUBATION PROGRAM

12201 RESEARCH PARKWAY, SUITE 501

ORLANDO, FLORIDA 32826



OFFICE OF THE MAYOR

CITY OF ST. PETERSBURG

RICK KRISEMAN, MAYOR

August 23, 2018

U.S. Department of Commerce
Economic Development Administration
Atlanta Regional Office
Attn: Gregory P. Vaday
401 West Peachtree Street, Suite 1820
Atlanta, GA 30308

RE: EDA Control No. 112470

Mr. Vaday,

The City of St. Petersburg ("City") will commit to provide a City owned property ("Property") to Pinellas County ("County") as part of the County's incubator project for the project referenced in Economic Development Administration ("EDA") control No. 112470. The Property is generally located at the south west corner of 4th Street South and 11th Avenue South, St. Petersburg, Florida; and further identified as Pinellas County Property Appraiser Parcel Identification Nos. 30-31-17-77400-000-0010 and 30-31-17-77418-000-0010.

The City will enter into a lease and development agreement ("Agreement") similar to the enclosed agreement the City previously created for the same property and a similar project that did not come to fruition. The City understands that the terms and conditions of the Agreement will need to be amended to adequately safeguard the Federal government's interest in the Property, and allow Pinellas County to comply with all EDA regulations including 13 CFR Part 314 – Property. This includes allowing for the EDA to retain a security interest and/or covenant of use in the Property during the useful life of the incubator project.

Please be aware that the Agreement will be subject to City Council approval, however City Administration supports such action. If, as part of the grant application, it is required for the City to enter into the Agreement prior to the award of the grant please let the City know and Administration will do so. If there are any questions related to the City's position please direct your inquiries to Alfred Wendler, Director, Real Estate & Property Management, who can be reached at 727-893-7183 or alfred.wendler@stpete.org.

Sincerely,

Rick Kriseman
Mayor

Enclosure (1) – TBIC Lease & Development Agreement
cc: Alan DeLisle, City Development Administrator

P.O. BOX 2842, ST. PETERSBURG, FLORIDA 33731 | TELEPHONE: (727) 893-7201 | FAX: (727) 892-5365 | STPETE.ORG



Serving the entrepreneurial community from idea to second-stage growth!

*So what?
who cares?
why you?*

KAUFFMAN
FASTTRAC
Local partners

St. Pete
City of St. Petersburg

GrowFL
The Florida Department of Economic Development

**LEASE AND DEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF ST. PETERSBURG, FLORIDA
AND
TAMPA BAY INNOVATION CENTER**

2014

LEASE AND DEVELOPMENT AGREEMENT

THIS LEASE AND DEVELOPMENT AGREEMENT ("Lease"), made and entered into this 15 day of DECEMBER 2014, by and between the City of St. Petersburg, a Florida municipal corporation, ("City") and Star-Tec Enterprises, Inc., a Florida non-profit corporation, d/b/a Tampa Bay Innovation Center ("TBIC") (collectively "**Parties**").

R E C I T A L S

WHEREAS, on April 14, 2014, the City received a letter proposal from TBIC to lease City-owned property located at the southwest corner of 4th Street South and 11th Avenue South ("**City Property**"); and

WHEREAS, because the City Property is located in the Bayboro Harbor Community Redevelopment Area the City, in accordance with the requirements of Florida Statutes 163.380, issued a Request for Proposals on April 20, 2014 with a due date of May 20, 2014, that set forth its intent to consider a proposal for the lease and development of the City Property; and

WHEREAS, the City Property contains approximately 2.5 acres and the City desires that the property be developed with not less than a 40,000 square foot facility, at no cost to the City that will encourage expansion and support for medical facilities and other job creating, employment oriented uses through the development mechanisms incorporated into the Bayboro Harbor Community Redevelopment Plan and help support the community by providing space for research, including but not limited to, health sciences and marine research; and

WHEREAS, TBIC was the only responder to the City's RFP; and

WHEREAS, the St. Petersburg Community Redevelopment Agency ("**CRA**") passed CRA Resolution No. 2014-2 on June 19, 2014 finding that the disposition at less than fair value is consistent with, and will further the implementation of the Bayboro Harbor Community Redevelopment Area Plan objectives and recommended that the City Council of St. Petersburg ("**City Council**") approve the disposition to TBIC; and

WHEREAS, on June 19, 2014 after a duly noticed Public Hearing in accordance with Florida Statute 163.380 was held, the City Council approved Resolution No. 2014-270 finding that the disposition of the City Property at less than fair value will enable the expansion and support for business incubator facilities and other job creating, employment oriented uses and further the development of the Innovation District by providing space for research, including but not limited to, health sciences and marine research which is consistent with, and will further the implementation of the Bayboro Harbor Community Redevelopment Area Plan objectives

and approving the disposition of the City Property to TBIC and authorizing the Administration to negotiate this Lease.

NOW THEREFORE, in consideration of the promises and covenants contained herein, including but not limited to the services set forth below, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

1. **RECITALS.** The above recitals are true and accurate and are incorporated herein.
2. **PREMISES.** City hereby leases to TBIC and TBIC hereby leases from City the property described in Exhibit "A", which is attached hereto and made a part hereof ("**Premises**").
3. **EFFECTIVE DATE.** This Lease shall be effective on the date the Mayor or his designee has executed this Lease ("**Effective Date**"). In the event TBIC fails to secure funding for the construction ("**Construction Financing**") of the Building, as hereinafter defined, within two (2) years of the Effective Date, the City or TBIC may terminate this Lease and upon termination, neither the City nor TBIC shall have any further obligations or rights hereunder and TBIC and City shall be released from all obligations hereunder except for any obligation(s) existing at the time of termination.
4. **COMMENCEMENT DATE.** If TBIC secures Construction Financing and this Lease has not been terminated, in accordance with paragraph 3, above, the right to terminate under paragraph 3 shall end and TBIC shall proceed with planning for construction of the Building, as hereinafter defined. TBIC shall secure site plan approval within two (2) years of securing Construction Financing. This Lease shall commence on the first (1st) day of the month following site plan approval for the improvements to the Premises ("**Commencement Date**"), which date shall be set forth in a memorandum signed by the Parties, which shall be attached hereto. TBIC shall commence construction as set forth in paragraph 10.2 of this Lease
5. **TERM; RENEWAL.** The Term of this Lease shall be for period of twenty-five (25) years after the Commencement Date ("**Term**") and shall expire on the twenty-fifth (25th) anniversary of the Commencement Date ("**Expiration Date**"). TBIC has the option of renewing this Lease five (5) times for five (5) years each, subject to the approval of the City Council set forth in paragraph 51 of this Lease ("**Renewal Term**").

6. ACCESS RIGHTS.

- 6.1. As of the Effective Date of this Lease, TBIC shall have the right to access the Premises for inspections, including but not limited to engineering, survey, and environmental.
- 6.2. As of the Commencement Date of this Lease, TBIC shall have the right to access, use and make improvements to the Premises, in accordance with the terms and conditions of this Lease.

7. RENT.

- 7.1. Rent. TBIC shall pay to the City Five Hundred Dollars (\$500.00) as rent for the Term, paid in advance prior to the Commencement Date of this Lease.
- 7.2. Additional Rent. TBIC shall pay to the City all other amounts due to City pursuant to this Lease as additional rent ("**Additional Rent**") within thirty (30) days after receipt of an invoice from City.

8. DELINQUENT PAYMENT; LATE CHARGE. If any payment due to the City is not paid fifteen (15) days after the receipt of an invoice from the City, TBIC shall pay a late charge of One Hundred (\$100) to compensate City for the additional administrative expense and loss occasioned thereby.

9. PERMITTED USE. TBIC shall use the City Property to construct a facility to house entrepreneurs, scientists, researchers and innovators, and for no other purpose ("**Permitted Use**") without the express written consent of the City Council, which consent may be granted or denied in City Council's sole discretion. The Permitted Use is further defined in Exhibit "B", attached hereto and made a part hereof by reference

10. TBIC OBLIGATIONS.

- 10.1. Facility. TBIC shall construct a facility of approximately 40,000 SF ("**Building**") that will house technology start-ups, provide space for researchers and serve as the community focal point for innovation and entrepreneurs.
- 10.2. Grant Funding and Construction. TBIC may encumber this Lease but not the fee simple interest of the City Property. Construction must begin not more than two (2) years after the Commencement Date and the construction completed not more than two (2) years after commencement of construction.
- 10.3. Job Creation. In addition to the Building, TBIC shall endeavor to create 100 or more new jobs at this location following completion of the Building.

10.4. Failure to Develop. In the event that TBIC is unable to substantially complete construction of the Building and commence operations within four (4) years of the Commencement Date, the City may unilaterally terminate this Lease and TBIC shall return the City Property free and clear of all liens, encumbrances, and restrictions.

10.5. Historic Booker Creek Trail. TBIC shall incorporate the Historic Booker Creek Trail ("Trail") into its site plan and provide for or permit, as the case may be:

10.5.1. Accommodation of the ten foot (10') Trail and four foot (4') recovery area at the north end of the Premises, in accordance with the City's current Trail plan that allows for minimal impact to the existing trees;

10.5.2. A minimum of six (6) motor-vehicle parking spaces including one (1) accessible motor-vehicle parking space that are fully dedicated for the exclusive use of Trail users;

10.5.3. An allowance based on availability, for the use of the remaining planned motor vehicle parking spaces after 5 pm and on weekends (Trail hours will follow that of the adjacent parks which are closed from 30 minutes after sunset until 30 minutes before sunrise the following day);

10.5.4. Installation of appropriate bike parking using bike racks that meet City standards established by the Transportation and Parking Management department.

10.5.5. Construction of an accessible path to connect between the parking, bike parking, and the Trail.

11. CITY OBLIGATIONS.

11.1. Vacation of Alley. The City will initiate a procedure to vacate the alley located on the property.

11.2. Rezoning. The City will initiate an amendment to the zoning for the City Property so that it is zoned appropriately for the Permitted Use.

11.3. Historic Booker Creek Trail. City intends to construct and maintain that portion of the Trail that will be located on the Premises as set forth in paragraph 10.5.1 of this Lease. City reserves the right to install Trail-related signage, including signs that would guide users to the parking areas and also educational signage/markers to note the historical significance of the adjacent areas.

12. **OWNERSHIP IMPROVEMENTS**. Excluding TBIC's personal property and trade fixtures, the Building and all permanent fixtures therein and any alterations or replacements thereof shall become the property of City upon the expiration or earlier termination of this Lease.

13. RETURN OF PREMISES.

13.1. Condition of Premises. TBIC shall, on or before the expiration of this Lease, or its earlier termination, remove all personal property from the Building and repair any damage caused by such removal and surrender and deliver up the Premises, broom clean and in good order, condition and repair, less ordinary wear and tear. Any personal property not removed within fifteen (15) days after the expiration of this Lease or its earlier termination, shall be deemed to have been abandoned by TBIC, and may be retained or disposed of by City, in its sole discretion.

13.2. Contracts and Encumbrances. TBIC shall return the Premises free and clear of any contractual obligations or other legal encumbrances not approved in writing by the City.

14. TAXES. As of the Effective Date of this Lease, the following shall apply:

14.1. Personal Property Taxes. TBIC shall be responsible for and shall pay before delinquency all municipal, county, state and federal taxes assessed during the Term, or any Renewal Term hereof, against personal property of any kind owned by or placed in, upon or about the Premises by TBIC.

14.2. Real Estate Taxes, Other Taxes and Fees. TBIC shall be responsible for and shall pay before delinquency all applicable real estate taxes, sales taxes, stormwater fees, governmental assessments of any kind, including but not limited to special assessments and service district assessments, if any, levied on the Premises or the contents thereof and deliver to the City, without notice or demand, the appropriate receipts that show payment thereof.

14.3. Property Owned by Governmental Unit. The Premises are subject to Section 196.199, Florida Statute, as it may be amended from time to time.

15. UTILITIES / SERVICES. As of the Effective Date of this Lease, TBIC shall contract in its own name for all water, sewer service, electric, gas and telephone service, cleaning service, satellite/cable/internet services and other services including but not limited to any and all turn-on or transfer fees, and the removal of trash/garbage.

16. CEASE OPERATIONS. In the event that the Premises are not used for the Permitted Use, City shall have the right to unilaterally terminate this Lease and TBIC shall vacate and surrender the Premises to the City free and clear of all liens, encumbrances and restrictions and City and upon termination, neither the City nor TBIC shall have any further obligations or rights hereunder and TBIC and City shall be released from all obligations hereunder except for any obligation(s) existing at the time of termination..

17. LIENS.

17.1. No Real Property Liens. TBIC shall never, under any circumstances, have the power to subject the Premises to any mechanic's or materialman's lien or other lien of any kind. All contracts for improvements to the Premises shall provide for a payment and performance in accordance with Section 255.05, Florida Statutes. City shall have a lien against all goods, equipment, furniture and other personal property of TBIC kept on the Premises at any time during the Term, or any Renewal Term hereof, in the aggregate amount of all rent, damages and the sums that may at any time be owed by TBIC to City under this Lease. City, in the event of any default by TBIC, may foreclose the lien.

17.2. Payment and Performance Bond. All contracts for improvements to the Premises shall provide for a payment and performance bond in accordance with Section 255.05, Florida Statutes or successor laws. Notice is hereby given that no contractor, subcontractor or any other person who may furnish any material, service or labor for any building, improvement, alteration, repairs or any part thereof, or for the destruction or removal of any building or structure, shall at any time be or become entitled to any lien on or against the Premises.

17.3. Leasehold as Collateral; City Estoppel Certificate. City acknowledges that TBIC may require a personal property lease agreement or other secured financing for its operations or equipment to be physically located at the Premises, or financing using TBIC's leasehold interest as collateral. In the event that a lender or equipment lessor requires the City as landlord to provide an estoppel and subordination certificate subordinating this Lease to the new financing, City shall, upon written request, execute such certificate whose terms and conditions are acceptable to City in its sole discretion, and only if it provides that the leasehold is the collateral and that the City's fee simple interest in the real property will not be subject to the financing. Notwithstanding the foregoing, in no event shall the City provide an estoppel certificate for any leasehold mortgage that exceeds a twenty (20) year term or one that exceeds the expiration date of this Lease.

18. **MAINTENANCE.** TBIC shall be responsible for all maintenance of the Building, when constructed, including but not limited to all Building components, security, and Premises landscaping. If TBIC fails to maintain the Building or the Premises as required hereunder, then thirty (30) days after written notice (or such longer period as is necessary if the repair cannot reasonably be completed within the thirty (30) day period and TBIC promptly commences and diligently pursues the completion of such repair), City shall have the right to enter the Premises and to make such repairs at TBIC's expense. TBIC shall pay City's reasonable costs for making such repairs as Additional Rent.

19. **CITY ADMINISTRATIVE APPROVAL OF PLANS.** TBIC shall not commence work unless and until written plans have been submitted for administrative approval

("Administrative Approval") to and approved by the City's Development Administration, in City's reasonable discretion ("Approved Plans"). Said plans submitted for Administrative Approval shall include but are not limited to an interior space plan, elevations, electrical panel schedules, load calculations and HVAC equipment specifications, systems diagrams (ductwork, diffusers). TBIC, at its sole cost and expense, shall prepare and submit preliminary plans to the City not more than thirty (30) days after the Effective Date for Administrative Approval. Administrative Approval is in addition to any approvals required by the City of St. Petersburg's City Code. City shall have ten (10) days from receipt thereof to disapprove of such plans. Any disapproval shall contain the specific changes desired by City to obtain its approval. TBIC shall submit revised plans to City incorporating changes acceptable to TBIC. City shall have five (5) days from receipt thereof to disapprove any revised plans; provided that if the changes requested by City have been made, City's approval shall be deemed given. City's failure to disapprove the plans within the applicable ten (10) day period or five (5) day period shall constitute City's approval of said plans. If City and TBIC are unable to agree upon Approved Plans and Specifications, TBIC shall have the option of terminating this Lease upon written notice to City and upon such termination, City and TBIC shall be released from all obligations hereunder, except for any obligations existing at the time of termination. Unless such change is required by the City of St. Petersburg's Development Services Division, TBIC shall not change the plans in any substantial, material respect without the prior written consent of the City, which consent shall not be unreasonably withheld or delayed.

20. INSURANCE.

20.1. TBIC Obligation as of the Effective Date of this Lease. TBIC, shall, from the Effective Date of this Lease until the expiration or earlier termination of this Lease or any Renewal Term hereof, maintain at TBIC's cost, the following insurance:

20.1.1. Commercial General Liability. A Commercial General Liability Insurance Policy protecting the City against all claims or demands that may arise or be claimed on account of TBIC's use of the Premises in an amount of at least \$1,000,000 for injuries to persons in one accident and \$2,000,000 general aggregate, \$1,000,000 for injuries to any one person, \$1,000,000 for damages to property and \$1,000,000 Damage to Rented Premises. Commercial General Liability limits may, from time to time, be adjusted at the discretion of the City to reflect the then current, generally acceptable policy limits.

20.1.2. Builder's Risk. TBIC shall require Builders Risk insurance from contractor. The policy shall insure the contractors work at the site to its full insurable value. The Policy shall insure the interests of the City, TBIC, the Contractors and subcontractors.

20.2. TBIC Obligation as of the Commencement Date of this Lease. TBIC, shall, from the Commencement Date of this Lease until the expiration or earlier termination of this Lease or any Renewal Term hereof, maintain at TBIC's cost, the following insurance:

20.2.1. Worker's Compensation. Workers' Compensation Insurance in compliance with the laws of the State of Florida. Employers Liability coverage with minimum limits of \$100,000 each accident, \$100,000 each employee and \$500,000 policy limit for disease.

20.2.2. Personal Property. Any insurance coverage it may desire on the contents of the Premises.

20.2.3. Business Interruption Insurance. Business Interruption Insurance insuring that all sums payable under this Lease, including but not limited to Rent, Additional Rent, and maintenance charges shall be paid to City if the Premises are destroyed by a risk which is insurable under a standard policy of fire and extended coverage insurance with vandalism and malicious mischief endorsements.

20.2.4. Real Property. TBIC shall keep in force fire and casualty insurance on a replacement cost basis with respect to the Building and betterments with companies licensed to do business in the State of Florida and rated A- (A minus) or better in the then most current issue of Best's Insurance Report.

20.2.5. City as Additional Insured. All of the insurance required under paragraph 20 of this Lease, shall be effected under enforceable policies issued by insurers licensed to do business in the State of Florida and be rated "A-" or better by a rating agency such as A.M. Best or its equivalent. All policies except Worker's Compensation policies, shall name the City as additional insured, be in occurrence form, provide contractual liability covering the liability assumed in this Lease and shall not exclude any activity that would normally be associated with use of the Premises without the prior written consent of the City which may be withheld by the City at its sole discretion. All policies shall provide that they shall not be subject to cancellation or material change, which affect City, except upon at least thirty (30) days prior written notice to City at the address set forth in paragraph 52 of this Lease.

20.2.6. TBIC Reporting Requirement. TBIC shall provide City, without notice or demand, duly executed certificates of all insurance required by this Lease, any endorsements, enhancements and exclusions, together with satisfactory evidence of the payment of the premiums thereon prior to the Commencement Date and TBIC shall maintain current certificates of insurance on file with City at all times during the Term, or any Renewal Term hereof. Not less than thirty (30) days prior to expiration of the term of such policies, a certificate showing the renewal coverage

shall be delivered to City. The TBIC shall provide copies of any of the required policies to the City on demand.

20.2.7. Failure of TBIC to Provide Insurance. If TBIC fails to furnish certificates showing policies paid in full as provided in this Lease, the City may, after written notice to TBIC and failure of TBIC to provide the certificate within ten (10) days of such notice, obtain the insurance, and the premiums on that insurance shall be deemed Additional Rent to be paid by the TBIC.

20.3. Continuing Coverage. The insurance coverage and limits required by paragraph 20 of this Lease are subject to change or revision during the Term. Required insurance coverages and limits may be modified at that time to reflect the then current commercially reasonable coverages and limits. In the event the new coverages and limits are not more than twenty-five percent (25%) in cost than the then current coverages and limits required by paragraph 20 of this Lease, then the coverages and limits required by paragraph 20 of this Lease shall change so that they are equal to the then current commercially reasonable coverages and limits. If the cost of coverages and limits is twenty-five percent (25%) or more, then coverages and limits required by paragraph 20 of this Lease shall be increased to an amount that could be acquired for the twenty-five percent (25%) increase in cost. The City shall provide TBIC thirty (30) days written notice of the then current commercially reasonable coverages and limits together with supporting documentation. Failure of TBIC to comply with such changes shall be considered a Default of this Lease and a request to terminate this Lease.

21. INDEMNIFICATION; DISCLAIMERS.

21.1. TBIC Indemnification. Except for incidents occurring on the Trail, TBIC shall defend at its expense, pay on behalf of, hold harmless and indemnify City, its officers, employees, agents, invitees, elected and appointed officials and volunteers (collectively, "**Indemnified Parties**") from and against any and all claims, demands, liens, liabilities, penalties, fines, fees, judgments, losses and damages (whether or not a lawsuit is filed) including, but not limited to, costs, expenses and attorneys' fees at trial and on appeal (collectively, "**Claims**") for damage to property or bodily or personal injuries, including death at any time resulting therefrom, sustained by any person or persons, which damage or injuries are alleged or claimed to have arisen out of or in connection with, in whole or in part, directly or indirectly:

21.1.1. Ownership, Occupancy or Use. The ownership, occupancy or use of the Premises by City or TBIC;

21.1.2. Performance of this Lease. The performance of this Lease (including future changes and amendments thereto) by TBIC, its employees, agents, representatives,

contractors, subcontractors or volunteers, including but not limited to the TBIC's duty to maintain and warn of dangerous conditions;

21.1.3. Compliance and Conformity. The failure of TBIC, its employees, agents, representatives, contractors, subcontractors or volunteers to comply and conform with any applicable law, statute, ordinance or regulation now or hereinafter in force, including, but not limited to violations of the Americans with Disabilities Act of 1990 ("ADA") and any current or future amendments thereto; or

21.1.4. Negligent, Reckless or Intentional Act or Omission. Any negligent, reckless or intentional act or omission of the TBIC, its employees, agents, representatives, contractors, subcontractors or volunteers, whether or not such negligence is claimed to be either solely that of the TBIC, its employees, agents, representatives, contractors, subcontractors or volunteers or to be in conjunction with the claimed negligence of others, including that of any of the Indemnified Parties.

21.2. Insurance Obligations. The provisions of paragraph 21 of this Lease, are independent of, and shall not be limited by, any insurance obligations in this Lease, and shall survive the expiration or earlier termination of this Lease with respect to any claims or liability arising in connection with any event occurring prior to such expiration or termination. The purchase of insurance coverage required by this Lease, or otherwise, shall not relieve TBIC of any duties set forth in paragraph 21 of this Lease.

21.3. TBIC's Business or Property Damage. City shall not be responsible or liable at any time for any damage to the Premises or to TBIC's business regardless of the cause, unless such damage is due to City's negligence or wrongful act.

21.4. Acts or Omissions of Third Parties. City shall not be responsible or liable to TBIC for any damage to either person or property that may be occasioned by or through the acts or omissions of third parties.

21.5. Property Defects. Unless due to City's negligence, wrongful act, or failure to comply with this Lease, City shall not be responsible or liable for any defect in the Building or Premises or any of the equipment, machinery, utilities, appliances or apparatus therein, nor shall it be responsible or liable for any damage to any person or to any property of TBIC or other person caused by or resulting from burst, broken or leaking pipes or by or from, steam or the running, backing up, seepage, or overflow of water or sewage in any part of the Building or Premises or for any damage caused by or resulting from acts of God or the elements, the failure of any public utility in supplying utilities to the Building or Premises or for any damage caused by or resulting from any defect or negligence in the occupancy, construction, operation or use of any of the Building or Premises, machinery, apparatus or equipment by any other person or by or from the acts of negligence of any occupant of the Building or Premises.

21.6. Notice. TBIC shall give prompt notice to City in case of fire or accidents or other casualties on or about the Building or Premises.

21.7. Risk of Loss. TBIC shall store its property in and shall occupy the Premises at its own risk.

22. **WAIVER OF SUBROGATION**. City and TBIC hereby waive any rights each may have against the other on account of any loss or damage incurred by City or TBIC, as the case may be, to their respective property, the Premises, or its contents arising from any risk generally covered by fire and extended coverage insurance policies. The Parties each, on behalf of their respective insurance companies insuring the property of either City or TBIC against any such loss or damage, waive any right of subrogation that such companies may have against City or TBIC, as the case may be. Each party covenants with each other that, to the extent such insurance endorsement is available; they shall each obtain for the benefit of the other, a waiver of any right of subrogation from their respective insurance companies, if such endorsement is requested.

23. **ASSIGNMENT AND SUBLEASE**.

23.1. Consent Required. Except as set forth in paragraph 23.3 of this Lease, TBIC may not delegate performance nor assign nor sublease this Lease or any of its rights under this Lease, without City's prior written consent, set forth in paragraph 51 of this Lease, which shall be granted or withheld in the City's sole discretion. Any such purported delegation or assignment shall be null and void and shall constitute a material default of this Lease and cause for immediate termination. Any purported involuntary assignment of this Lease or assignment by operation of law, whether by bankruptcy or insolvency, merger (whether as the surviving or disappearing corporation), consolidation, dissolution, reorganization, transfer of the TBIC or controlling interest in the TBIC, or court order effectuating such assignment or any other method, shall be null and void and shall constitute a material default of this Lease and cause for immediate termination, unless such underlying transaction is approved by the City Council which approval shall be in the sole discretion of the City Council.

23.2. Assumption. Upon an approved Assignment of this Lease, the assignee shall assume all rights and obligations of TBIC under this Lease. Any assignee of TBIC shall deliver to City an assumption agreement in a form reasonably satisfactory to City not less ninety (90) days prior to the effective date of such Assignment. Notwithstanding anything to the contrary contained in this Lease, upon receipt of a satisfactory assumption agreement, TBIC's liability shall not terminate under this Lease, and thereafter TBIC, and any guarantor of TBIC's obligations hereunder, shall have the same liability as if there had been no Assignment.

23.3. Sublease. TBIC may sublease space in the Building to subtenant(s) that comply with, advance or complement the Permitted Use. However, no single subtenant may sublease more than 15,000 square feet.

24. DEFAULT.

24.1. Default by TBIC.

24.1.1. Events of Default. Subject to TBIC's right to notice and opportunity to cure, set forth below, TBIC shall be deemed to be in default of its obligations under this Lease upon the occurrence of any of the following:

24.1.1.1. TBIC's failure to pay sums due under this Lease;

24.1.1.2. TBIC's failure to perform any material covenant, promise or obligation contained in this Lease;

24.1.1.3. The appointment of a receiver or trustee for all or substantially all of TBIC's assets;

24.1.1.4. TBIC's voluntarily petition for relief under, any bankruptcy or insolvency law, or the filing of an involuntary bankruptcy petition which is not dismissed within sixty (60) days;

24.1.1.5. The sale of TBIC's interest under this Lease by execution or other legal process;

24.1.1.6. The seizure, sequestration or impounding by virtue of or under authority of any legal proceeding of all, or substantially all, of the personal property or fixtures of TBIC used in or incident to the operation of the Premises;

24.1.1.7. TBIC making an assignment of all, or substantially all, of the personal property or fixtures of TBIC used in or incident to the operation of the Premises for the benefit of creditors;

24.1.1.8. Any sale, transfer, assignment, subleasing, concession, license, or other disposition prohibited under this Lease, except as provided for in paragraph 23 of this Lease;

24.1.1.9. TBIC doing or permitting to be done anything that creates a lien upon the Premises and shall fail to obtain the release of any such lien or bond off any such lien as required herein.

24.1.2. Notice; Right to Cure. TBIC shall only be deemed in default of this Lease upon the continued occurrence of:

24.1.2.1. TBIC's failure to pay any monetary sum for a period of ten (10) days after written notice from City to TBIC that such sums are due, or

24.1.2.2. The occurrence of any other event specified in paragraph 24.1 of this Lease that is not cured by TBIC within thirty (30) days from TBIC's receipt of written notice from City, provided this thirty (30) day cure period shall be extended for such reasonable period of time as is necessary to cure the default, if the default is not reasonably capable of cure within said thirty (30) day period and TBIC commences and continues to diligently cure the default.

24.1.3. City's Remedies. Upon TBIC's default hereunder, City may exercise all remedies available at law or in equity. All such remedies shall be cumulative and non-exclusive.

24.2. Default by City.

24.2.1. Events of Default; Right to Cure. City shall be in default under this Lease if City fails to perform any of its obligations or breaches any of its covenants contained in this Lease and said failure or breach continues for a period of thirty (30) days after written notice from TBIC to City, provided this thirty (30) day cure period shall be extended for such reasonable period of time as is necessary to cure the default, if the default is not reasonably capable of cure within said thirty (30) day period and City commences and continues to diligently cure the default.

24.2.2. TBIC's Remedies. Upon City's default hereunder TBIC may exercise all remedies available at law or in equity. All such remedies shall be cumulative and non-exclusive.

25. CONDEMNATION.

25.1. Condemnation. If during the Term, or any Renewal Term hereof, the whole of the Premises are condemned or taken in any manner for public use, or if a portion of the Premises are condemned or taken in any manner or degree to an extent that the Premises are not suitable, as determined by TBIC in its reasonable discretion, for the Intended Use, then in either event TBIC or City may elect to terminate this Lease as of the date of the vesting of title in the condemning authority. As used in this paragraph, a condemnation or taking includes a deed given or transfer made in lieu thereof.

25.2. Award. City shall be entitled to that portion of the condemnation award attributable to City's interest in the Premises, which includes the Building and the land. TBIC shall be entitled to that portion of the condemnation award attributable to the loss of TBIC's leasehold in the Premises, TBIC's improvements and fixtures on the Premises, its operating losses and its relocation costs.

26. DESTRUCTION OF BUILDING.

26.1. Restoration. If the Building is totally destroyed by fire or other casualty or if the Building is partially destroyed in an insured event then TBIC shall use the proceeds from its property insurance to rebuild the Building to a condition similar to the Building's pre-event condition, or

26.2. Termination. If within the last two (2) years of any Lease Term then in effect, TBIC may deliver the non-personal property insurance proceeds without offset to the City as reimbursement for loss of the Building and terminate this Lease within sixty (60) days after such casualty loss, in which event all obligations herein shall cease as of the date of such delivery, and neither City nor TBIC shall have any further obligations or rights hereunder except for any obligations existing at the time of termination.

27. **REPLACEMENT PREMISES.** City is under no obligation to locate or provide a replacement Premises or facilities under any circumstances, including but not limited to, substantial damage to the existing improvements by fire, flood, hurricane, tornado, earthquake or other form of natural disaster, or termination of this Lease.

28. REPRESENTATIONS AND WARRANTIES.

28.1. TBIC's Representations and Warranties. TBIC hereby represents and warrants to City that:

28.1.1. TBIC is a duly authorized and valid Florida non-profit corporation registered to do business in the State of Florida.

28.1.2. TBIC has the full right and authority to enter into this Lease;

28.1.3. each of the persons executing this Lease on behalf of TBIC is authorized to do so;

28.1.4. this Lease constitutes a valid and legally binding obligation of TBIC, enforceable in accordance with its terms and conditions.

28.2. City's Representations and Warranties. City hereby represents and warrants to TBIC that:

28.2.1. City is the fee simple owner of the Premises;

28.2.2. there are no agreements, contracts, covenants, conditions or exclusions which would, if enforced, prohibit or restrict the operation of the Premises for the Intended Use;

28.2.3. City is a duly authorized and existing municipal corporation under the laws of the State of Florida and is qualified to operate in the State of Florida;

28.2.4. City has the full right and authority to enter into this Lease;

28.2.5. each of the persons executing this Lease on behalf of City is authorized to do so;

28.2.6. this Lease constitutes a valid and legally binding obligation on City, enforceable in accordance with its terms.

29. **ENVIRONMENTAL.** As of the Effective Date, the City is unaware of any violation of any Environmental Laws concerning the City Property.

29.1. **Definitions.** For purposes of this Lease, the following words and phrases shall have the following meaning except where the text clearly indicates a contrary intention:

29.1.1. "**Environment**" shall mean soil, surface waters, groundwater, land, stream and sediments, surface or subsurface strata, ambient air, interior and/or exterior of any building or improvement and any environmental medium.

29.1.2. "**Environmental Condition**" shall mean any condition of the environment with respect to the Premises that results from TBIC's possession, use, occupation, construction and/or improvement to or operation of TBIC's business on the Premises.

29.1.3. "**Environmental Law**" shall mean the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Sections 6901, et seq., as amended ("**RCRA**"); the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. Sections 9601, et seq., as amended (original act known as "**CERCLA**" or "**Superfund**", the amendments are known as "**SARA**"); the HSWA amendments to RCRA regulating Underground Storage Tanks ("**UST's**"), 42 U.S.C. Sections 6991-6991(I), as amended; the Clean Air Act of 1963 42 U.S.C. Sections 7401, et seq., as amended ("**Clean Air Act**"); the Federal Water Pollution Control Act of 1977 and 1987, 33 U.S.C. Sections 1251, et seq., as amended ("**Clean Water Act**"); the Toxic Substances Control Act of 1976, 15 U.S.C. Sections 2601, et seq., as amended ("**TSCA**"); the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801, et seq., as amended ("**HMTA**"); the Occupational Safety and Health Act, as amended ("**OSHA**"), 29 U.S.C. Sections 651, et seq., the Florida Resource Recovery and Management Act, Section 403.701, et seq., Florida Statutes; the Pollutant Spill Prevention and Control Act, Section 376.011-376.17 and 376.19-376.21, Florida Statutes, and Chapters 373, 376 and 403, Florida Statutes; and any other present or future federal, state, or local law, regulation, rule or ordinance implementing or otherwise dealing with the subject matter of the preceding federal and state statutes, together, in each case, with any amendment thereto.

29.1.4. "**Hazardous Material**" shall mean without limitation (i) those substances included within the definitions of "**Hazardous Substances**", "**Hazardous Materials**", "**Toxic**

Substance", or "Solid Waste" in any Environmental Law; (ii) those substances listed in the United States Department of Transportation Table (49 CFR 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302 and amendments thereto); (iii) any materials, waste, or substance which is (A) petroleum, petroleum by-products, residuals and petroleum degradation by-products; (B) asbestos; (C) polychlorinated biphenyl's; (D) flammable explosives; or (E) radioactive materials; and (iv) such other substances, materials, and wastes which are or become regulated or controlled under any Environmental Law, or which would trigger any employee or community "right-to-know" requirements adopted by any federal, state or local governing body, or for which such body has adopted any requirements for the preparation of distribution of a hazard communication safety data sheet ("**SDS**").

29.1.5. "**Release**" shall mean any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing, or dumping into the environment.

29.2. **TBIC's Obligation.** TBIC shall not use, store, generate, transport, dispose, nor cause the release or discharge any Hazardous Materials in or upon the Premises, including but not limited to into any ditch, stream, conduit, storm sewer or sanitary sewer connected thereto or located thereon or knowingly permit any subtenants or other persons or entities occupying the Premises to engage in such activities in or upon the Premises. However, the foregoing provision shall not prohibit the use, storage, maintenance, transportation to and from or handling within the Premises of substances customarily used in the operation of the Premises, provided: (i) such substances shall be used, stored, maintained, transported, handled and disposed of only in accordance with Environmental Laws, (ii) such substances shall not be released or discharged in or upon the Premises in violation of Environmental Laws and the National Fire Protection Association ("**NFPA**") Code and local fire codes as they may be amended from time to time, and (iii) for purposes of removal and disposal of any such substances, TBIC shall be named as the owner and generator, obtain a waste generator identification number, and execute all permit applications, manifests, waste characterization documents and any other required forms required by the appropriate state or federal environmental authority and hold City harmless.

29.3. **City Notification.** TBIC shall promptly notify City of: (i) any enforcement, cleanup or other regulatory action taken or threatened by any governmental or regulatory authority with respect to the presence of any Hazardous Materials in or upon the Premises or the migration thereof from or to other property, (ii) any demands or claims made or threatened by any party relating to any loss or injury resulting from any Hazardous Materials in or upon the Premises, and (iii) any matters where City is required by Environmental Laws to give a notice to any governmental or regulatory authority respecting any Hazardous Materials in or upon the Premises.

- 29.4. Clean up and Remediation. If any Hazardous Materials are released, discharged, or disposed of by TBIC or any other occupant of the Premises in violation of Environmental Laws, TBIC shall immediately, properly and in compliance with Environmental Laws clean up and remove the Hazardous Materials from the Premises and any other affected property. Such cleanup and removal shall be at the TBIC's sole expense.
- 29.5. TBIC Indemnity. Except for incidents occurring on the Trail, TBIC shall defend, pay on behalf of, indemnify and hold harmless City, its officers, directors, agents, or employees from and against all claims, damages, expenses (including reasonable attorneys' fees), liabilities and all other obligations including, without limitation, third party claims for personal injury or real or personal property damage (collectively, "**Environmental Claims**") arising from or connected with the violation of any Environmental Laws by TBIC or other occupants of the Premises except to the extent any of the foregoing Environmental Claims are attributable to the violation of Environmental Laws by City, its officers, directors, agents or employees. The City shall have control over the City's and TBIC's involvement in legal proceedings resulting from an environmental violation and covered by the indemnification agreement contained in this Lease. TBIC's duty to indemnify shall survive the expiration or earlier termination of this Lease.
- 29.6. Access to Premises. TBIC shall allow authorized representatives of the City or state and federal environmental personnel, at a reasonable time, access to the Premises for the following purposes:
- 29.6.1. Conducting an environmental audit or other inspections of the Premises.
 - 29.6.2. Reviewing and copying of any records that must be kept under any environmental permit.
 - 29.6.3. Viewing the facility, equipment, practices, or operations regulated or required under such permit.
 - 29.6.4. Sampling or monitoring any substances or parameters at any location subject to any environmental permit or federal, state or municipal environmental law or regulation.
- 29.7. Termination by City. The City may unilaterally terminate this Lease immediately and without notice for any violation of paragraph 29 of this Lease.
- 29.8. Survivability. The provisions of paragraph 29 of this Lease shall survive the expiration or earlier termination of this Lease.

- 29.9. **No Limitation.** Nothing in this lease shall be interpreted as limiting the City's ability to seek contribution from any potentially responsible parties for any environmental violation.
30. **RELATIONSHIP BETWEEN PARTIES.** The relationship between the Parties is that of landlord and tenant.
31. **PARAGRAPH NUMBERS AND CAPTIONS.** The paragraph numbers and captions appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections. All references to paragraph numbers in this Lease shall include any subparagraphs.
32. **ENTIRE AGREEMENT.** This Lease and any attachments hereto and forming a part hereof set forth all the covenants, promises, agreements, conditions, and understandings between City and TBIC concerning the Premises and there are no covenants, promises, agreements, conditions or understandings, either oral or written, other than as herein set forth. No subsequent alteration, amendment, change or addition to this Lease shall be binding upon City or TBIC until reduced to writing, authorized by the City Council, and signed by City and TBIC.
33. **SEVERABILITY.** If any term, covenant or condition of this Lease, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such term, covenant, or condition to persons or circumstances other than those as to which it was held invalid or unenforceable, shall not be affected thereby and each term, covenant, or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.
34. **APPLICABLE LAW, VENUE AND JURISDICTION.** This Lease shall be governed by and interpreted in accordance with the laws of the State of Florida. Venue for any action brought in state court shall be in Pinellas County, St. Petersburg Division. Venue for any action brought in federal court shall be in the Middle District of Florida, Tampa Division, unless a division shall be created in St. Petersburg or Pinellas County, in which case the action shall be brought in that division. Each party waives any defense of improper or inconvenient venue as to either court and consents to personal jurisdiction in either court.
35. **RECORDING.** This Lease or a memorandum of this Lease, may be recorded in the public records at the expense of the party so recording.
36. **SUCCESSORS.** The provisions of this Lease shall inure to the benefit of and be binding upon the respective successors, and assigns of City and TBIC.
37. **FORCE MAJEURE.** In the event that either party hereto shall be delayed or hindered in or prevented from the performance required hereunder by reason of strikes, lockouts, labor troubles, failure of power, riots, insurrection, war, acts of God, or other reason not the fault

of the party delayed in performing work or doing acts ("**Permitted Delay**"), such party shall be excused for the period of time equivalent to the delay caused by such Permitted Delay. Notwithstanding the foregoing, any extension of time for a Permitted Delay shall be conditioned upon the party seeking an extension of time delivering written notice of such Permitted Delay to the other party within ten (10) days of the event causing the Permitted Delay, and the maximum period of time which a party may delay any act or performance of work due to a Permitted Delay shall be sixty (60) days.

38. **BROKERAGE FEES.** TBIC and City warrant to each other that there is no broker or other individual entitled to any commission by reason of this Lease. TBIC shall defend, indemnify, pay on behalf of and hold City harmless from any and all loss, damage, cost and expense, including reasonable attorney's fees, which City may sustain or incur by reason of any real estate commission or fee claimed to be due by, through or under TBIC. City, to the extent permitted by law, shall indemnify, pay on behalf of and hold TBIC harmless from any and all loss, damage, cost and expense, including reasonable attorney's fees, which TBIC may sustain or incur by reason of any real estate commission or fee claimed to be due by, through or under the City.

39. **CITY'S RIGHTS UNDER LEASE.** All rights reserved to City under this Lease shall be exercised in a reasonable manner and in a manner so as to minimize any adverse impact to TBIC's operations, use or enjoyment of the Premises.

40. **TIME PERIODS.** Time is of the essence. Time periods herein shall include Saturdays, Sundays, and state and national legal holidays and shall end at 5:00PM local time.

41. **CITY CONSENT AND ACTION.**

41.1. For the purposes of this Lease, any required written consent, permission, approval or agreement ("**Approval**") by the City means the Approval of the Mayor or his designee unless otherwise set forth herein and such Approval shall be in addition to any and all regulatory approvals for permits and/or other licenses required by law or this Lease.

41.2. For the purposes of this Lease any right of the City to take any action permitted, allowed or required by this Lease, may be exercised by the Mayor or his designee, unless otherwise set forth herein.

42. **NON-APPROPRIATION.** The obligations of the City as to any funding required pursuant to this Lease, shall be limited to an obligation in any given year to budget and appropriate from legally available funds, after monies for essential services have been budgeted and appropriated, sufficient monies for the funding that is required during that year. Notwithstanding the foregoing, the City shall not be prohibited from pledging any legally available non-ad valorem revenues for any obligations heretofore or hereafter incurred, which pledge shall be prior and superior to any obligation of the City pursuant to this Lease.

43. **NON-DISCRIMINATION.** TBIC for itself and its successors and approved assigns, as a part of the consideration hereof, does hereby covenant that TBIC shall not Tenant shall not discriminate against anyone in the use of the Premises on the basis of race, color, religion, gender, national origin, marital status, age, disability, sexual orientation, genetic information or other protected category..
44. **CITY AS A MUNICIPAL CORPORATION.** Nothing contained herein shall be interpreted to require the City to take any action or refrain from taking any action that would be adverse to its status as a municipal corporation.
45. **QUIET ENJOYMENT.** Subject to the terms, covenants and conditions of this Lease, City warrants and covenants that TBIC shall peacefully and quietly have, hold and enjoy the Premises for the entire Term, or any Renewal Term hereof.
46. **CONDITION OF PREMISES.** TBIC has inspected the Premises and accepts the Premises in AS IS condition.
47. **ESTOPPEL CERTIFICATE.** Either party, upon request of the other party, shall execute, acknowledge and deliver an instrument, stating, if the same be true, that this Lease is a true and exact copy of the Lease between the Parties, that there are no amendments hereto (or stating what amendments there may be), that the same is then in full force and effect and that, to the best of its knowledge, there are no offsets, defenses or counterclaims with respect to the payment of Rent hereunder or in the performance of the other terms, covenants and conditions hereof on the part of TBIC or City, as the case may be, to be performed, and that as of such date no default has been declared hereunder by either party or if so, specifying the same. Such instrument shall be executed by the other party and delivered to the requesting party within sixty (60) days of receipt of a request therefore.
48. **NO WAIVER.** The exercise by the City of any right or remedy to enforce its rights under this Lease shall not constitute a waiver of, or preclude the exercise of, any other right or remedy afforded the City by this Lease or by statute or law; nor shall the acceptance of Rent or other payment be deemed to be a waiver of any such default. The failure of the City in one or more instances to insist on strict performance or observations of one or more of the covenants or conditions of this Lease, or to exercise any remedy, privilege or option conferred by this Lease on or reserved to the City, will not operate or be construed as a relinquishment or future waiver of the covenant or condition or the right to enforce it or to exercise that privilege, option or remedy, but that right will continue in full force and effect. No term, covenant or condition of this Lease shall be deemed to have been waived by City, unless such waiver is in writing.
49. **RADON GAS DISCLOSURE.** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of Radon that exceed federal and state guidelines

have been found in buildings in Florida. Additional information regarding Radon and Radon testing may be obtained from your county public health unit.

50. **NO CONSTRUCTION AGAINST PREPARER OF LEASE.** This Lease has been prepared by the City and reviewed by TBIC and its professional advisors. The City, TBIC and TBIC's professional advisors believe that this Lease expresses their agreement and that it should not be interpreted in favor of either the City or TBIC or against the City or TBIC merely because of its efforts in preparing it.
51. **CITY COUNCIL APPROVAL.** This Lease and any amendments thereto, are subject to approval by the City Council, and execution by its Mayor or his designee.
52. **NOTICES.** Any notice, demand, request or other instrument which may be or is required to be given or delivered under this Lease shall be deemed to be delivered (i) whether or not actually received, five (5) days after deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, or (ii) when received (or when receipt is refused) if delivered personally or sent by a nationally recognized overnight courier, all charges prepaid, at the addresses of City and TBIC set forth in this paragraph. Such address may be changed by written notice to the other party in accordance with this paragraph. The Parties acknowledge that copies of any notice sent by facsimile or e-mail are for convenience only, and shall not be deemed to be proper notice required hereunder.

TO CITY
City of St. Petersburg
Real Estate & Property Management
1 – 4th Street North
St. Petersburg, Florida 33701
727.893.7500
FAX 727.893.4134

TO TBIC
Tampa Bay Innovation Center
7887 Bryan Dairy Road, Suite 220
Largo, Florida 33777
727.547.7340
FAX 727.547.7350

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

SIGNATURE PAGES FOLLOW THIS PAGE

IN WITNESS WHEREOF the Parties hereto have caused this Lease to be executed by their duly authorized representatives on the day and date first written above.

WITNESSES

Sign: [Signature]
Print: Gillian Moore

Sign: [Signature]
Print: Joan M. Sacco

Star-Tec Enterprises, Inc., a Florida non-profit corporation d/b/a Tampa Bay Innovation Center

By: [Signature]
Tonya Elmore, President and CEO

ATTEST

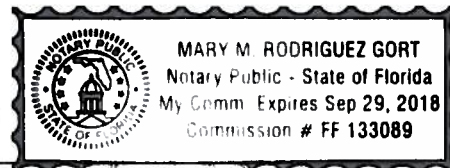
[Signature]
Print: Suzanne L. Boland
Corporate Secretary

STATE OF FLORIDA)
COUNTY OF PINELLAS)

The foregoing instrument was acknowledged before me this 3rd day of October 2014, by Tonya Elmore and Suzanne Boland, as President/CEO and Secretary of Star-Tec Enterprises, Inc., a Florida non-profit corporation d/b/a Tampa Bay Innovation Center, respectively, on behalf of the corporation. They are personally known to me and appeared before me at the time of notarization.

Notary Public - State of Florida

[Signature]
Notary Signature



Commission Expires

WITNESSES

Sign: [Signature]

Print: USA BREKE

Sign: [Signature]

Print: Sharon Cimarik

CITY OF ST. PETERSBURG, FLORIDA,
a Florida municipal corporation

By: [Signature]

Rick Kriseman, as Mayor

ATTEST

Reviewed by:

[Signature]
Bruce Grimes, Director
Real Estate & Property Management



[Signature]
Chandrasa Srinivasa, City Clerk

STATE OF FLORIDA)
COUNTY OF PINELLAS)

The foregoing instrument was acknowledged before me this 1st day of December 2014, by Rick Kriseman and Chandrasa Srinivasa, as Mayor and City Clerk, respectively, of the City of St. Petersburg, Florida, a Florida municipal corporation, existing under the laws of the State of Florida, on behalf of the corporation. They are personally known to me and appeared before me at the time of notarization.

Notary Public - State of Florida

[Signature]
Notary Signature



Commission Expires

APPROVED AS TO CONTENT:

City Attorney (Designee)
By: RICHARD B. BADGLEY

8 Assistant City Attorney
Legal: 00199853.doc v.7

APPROVED AS TO FORM:

City Attorney (Designee)
By: RICHARD B. BADGLEY

8 Assistant City Attorney

EXHIBIT "A" Premises Legal Description

Lot 1, ROYAL POINCIANA SUBDIVISION — KAMMAN PARTIAL REPLAT a subdivision according to the plat thereof recorded at Plat Book 61, Page 91, in the Public Records of Pinellas County Florida (30/31/17/77418/000/0010)

AND

Lots 1, 2, 3, 4, 5, and 6, ROYAL POINCIANA SUBDIVISION, a subdivision according to the plat thereof recorded at Plat Book H-7, Pages 8 and 9, in the Public Records of Hillsborough County, Florida, of which Pinellas County Florida was formerly a part (30/31/17/77400/000/0010).

EXHIBIT "B" – Permitted Use

INCUBATOR SERVICES

- Building a technology idea into a successful business takes subject matter experts, experienced mentors, and trained professionals - all working collaboratively to help you form a business strategy.
- The Incubator program provides clients with an assigned mentor, educational opportunities, networking and resources to help develop an executable business plan.

The Incubator program focuses on helping to build business by providing:

- Business coaching from an experienced mentor we hand-pick from our extensive partner list and in-house staff.
- On-going cooperative marketing
- Continuous networking and training opportunities
- On-site amenities, including conference rooms, a training facility and cafeteria
- Free wi-fi access
- A furnished office
- Office equipment, including projectors, binding machines, etc.
- Fax machine service
- Access to partner organizations
- Invitations to the Innovation Center networking and training events
- Business resource and reference library
- Companies interested in becoming an Incubator client must meet the following criteria:
- A researched, viable technology
- Located in the Tampa Bay region
- Interest in growing their business
- Review by Tampa Bay Innovation Center Client Services Team

EXHIBIT "B" – Permitted Use *(continued)*

ACCELERATOR SERVICES

The Accelerator program provides access to networks, experts, international markets, dedicated space, like-minded individuals and peers, market research, service providers, university support systems and funding.

The Accelerator program focuses on helping to grow business by providing:

- Business coaching from a team of experienced mentors hand-picked from our extensive partner list and in-house staff
- Opportunities to access business expansion and funding partners
- On-going cooperative marketing
- Continuous networking and training opportunities
- Receptionist services
- Fax machine service
- On-site amenities including conference rooms, a training facility, free parking and a full-service cafeteria
- Office equipment, including projectors, binding machines and more
- Access to the Microsoft Bizspark Program
- Free wi-fi access
- A dedicated furnished office

Admission Criteria

Companies interested in becoming an Accelerator client are reviewed by a vetting committee and must meet the following criteria:

- Company headquartered in Tampa Bay
- Full-time commitment of operating executive
- Operating history of at least six months

FEASIBILITY ANALYSIS OF A BUSINESS INCUBATOR IN THE ST. PETERSBURG AREA

Final Report
October 29, 2013

Presented to:

Tonya Elmore, President
Tampa Bay Innovation Center
7887 Bryan Dairy Road, Suite 220
Largo, FL 33777
727-547-7340
elmoret@tbinnovates.com
www.tbinnovates.com



Presented by:

Jim Greenwood, President
Greenwood Consulting Group, Inc.
1150 Junonia
Sanibel, FL 33957
239-395-9446
gail-jim@g-jgreenwood.com
www.g-jgreenwood.com

Copyright © 2013 by Greenwood Consulting Group, Inc.
Right to reproduce and distribute is granted to the Tampa Bay Innovation Center

This project was sponsored in part by the Florida High Tech Corridor Council and USF Connect.

Table of Contents

1. Executive Summary	1
2. Introduction	7
3. Feasibility Factors	7
3.1 Market	7
3.2 Business Assistance	19
3.3 Champion	24
3.4 Real Estate	25
3.5 Development Cost & Funding	30
3.6 Financial Sustainability	35
4. Conclusions	41
5. Recommendations	42
Appendix A. Results of Market Survey, All Respondents	44
Appendix B. Results of Market Survey, Potential Tenants Only	47
Appendix C. Cash Flow Projections	50

1. EXECUTIVE SUMMARY

The purpose of this project was to determine if a business incubator would be feasible in the St. Petersburg, Florida area. A business incubator is a facility and set of services and programs that collectively improve the chances of success of both start-up and existing small businesses. A feasibility study answers whether a business incubator will be successful in a particular community and environment. This project was commissioned by the Tampa Bay Innovation Center (TBIC), which already operates a successful incubator in Largo. This analysis will help TBIC determine if it should develop a second incubator, or even consolidate the Largo incubator into a single, larger facility in the St. Petersburg area.

This feasibility study was conducted by Greenwood Consulting Group, Inc. (GCGI), which has performed over 80 incubator projects in the United States and Canada. GCGI uses its proprietary feasibility assessment model which considers six factors: market, business assistance, champion, real estate, development cost and funding, and operating sustainability.

Market

In assessing the market for a St. Petersburg area business incubator, GCGI relied primarily on a market survey that was distributed throughout the region via email and at a seminar on funding small technology based companies. A total of 429 surveys were returned, which is an excellent response rate in GCGI's experience. Of these responses, 66 came from individuals who are interested in becoming tenants of the proposed incubator, and another 120 came from entrepreneurs interested in using services at the incubator even though they would not locate their businesses there. Assuming that only half of the potential tenants identified through the market survey actually commit to a lease in the St. Petersburg incubator, this would provide more than adequate initial occupancy in an incubator of up to 35,000 square feet.

Interest has been expressed in devoting the St. Petersburg incubator to the marine sciences or to the life sciences. Marine science is seen as a local strength with a large number of marine scientists employed by state and Federal agencies. However, GCGI does not believe this strong presence translates into an opportunity for a marine science only incubator. Only 3 of the 66 potential tenants are in marine sciences, and in the entire Pinellas County there are only 73 companies even if a broad definition is used for this industry—and the majority of those firms are larger, with more than 5 employees, and therefore less likely to be incubator candidates. A search of patents and prior Small Business Innovation Research (SBIR) awards also indicated relatively small marine science entrepreneurial activity in the greater St. Petersburg area.

There also is interest in making this a life sciences incubator. This interest likely stems from announced plans by Johns Hopkins University to establish a presence in downtown St. Petersburg in cooperation with the All Children's Hospital. Although few market survey respondents are interested in becoming incubator tenants are in life sciences, secondary data suggest there are about 300 such firms in Pinellas County, with most of the life science manufacturers in the Tampa region located here. However, few of these manufacturers are small (< 5 employees), which means an incubator is less attractive to this

segment of the life sciences industry. Unfortunately, it appears to be too soon to know how much impact Johns Hopkins may have on life science entrepreneurial activity in the St. Petersburg area. Therefore, at this time, GCGI does not believe there is a market for an incubator that focuses exclusively on life sciences.

GCGI notes that prior events may make a number of community and business leaders skeptical of an incubator that focuses narrowly on a single industry or two. Given the lack of evidence for an adequate market for a marine or life science incubator, this skepticism, and the number and breadth of industries represented by the market survey respondents interested in becoming tenants, GCGI concludes that the St. Petersburg incubator needs to be “mixed-use.” This means that it should cater to a variety of firms in many different industries, although it could incorporate some areas of emphasis such as marine and life sciences.

Business Assistance

An incubator’s impact and value is measured largely by the services and programs it provides, and how valued they are by potential tenants and other clients. The aforementioned market survey indicated there are a number of unmet business assistance needs among potential tenants, which is a positive indicator of the need for the proposed incubator. The areas of greatest need are assistance with marketing and market analysis, and help with business planning. Potential tenants also indicated the need for a variety of resources typically provided by a mixed-use incubator, with office space being the resource in greatest demand (79% of tenants want it), followed by networking opportunities (70%). Therefore, there appears to be a need for the St. Petersburg incubator to provide services and resources to fill gaps in what is currently being provided by others.

Potential tenants have not used existing sources of business assistance very much, although for-profit sources have a higher utilization rate than the public/non-profit ones. This may be a result of the lack of satisfaction with those sources—only 3 of 10 public/non-profit sources received better than an “average” quality rating by potential tenants, although once again for-profit sources rated higher overall. This indicates two other important values of the proposed St. Petersburg area incubator. They are its ability to link its tenants and clients with existing business assistance services that are credible, affordable and accessible; and its role in encouraging existing service providers to adjust their offerings to better meet the expectations of small and start-up firms in the area. Therefore, GCGI believes a business incubator could serve multiple important roles in providing needed business assistance to St. Petersburg area entrepreneurs.

Champion

A champion is an entity that takes responsibility for development and operations of a business incubator. The champion must be capable of performing this role, which includes having support from the business and political leadership of the community, and other providers of assistance to small and start-up businesses.

TBIC is a strong candidate for this role in the St. Petersburg area business incubator, for several reasons. It is already designated as the provider of incubation services by Pinellas County, it has an incubator track record and overall positive reputation with community leaders and entrepreneurs in the region, and it has a proven ability to effectively raise funds for developing and operating incubators. TBIC also is in a unique position to potentially merge its Largo incubator into the proposed St. Petersburg program to create a single, larger Pinellas County incubator. However, TBIC is not a perfect champion candidate: If the Largo and St. Petersburg locations are not combined, TBIC will be challenged to operate multiple incubator locations; GCGI has firsthand experience with the complications associated with managing incubators in multiple locations. And TBIC received “not very helpful” ratings by three potential St. Petersburg incubator tenants, which reduced its overall satisfaction rating (and suggests that at least three potential tenants will not join this incubator if TBIC champions it). Overall, GCGI believes TBIC would be a strong champion for this project, while formation of a new entity could be an alternative if TBIC is not able to perform this crucial role in development of the St. Petersburg incubator.

Real Estate

Respondents to the market survey were asked to indicate their preferences about a location for the St. Petersburg area incubator. Potential tenants, whose opinions are the most important because of the level of commitment they would be making to this project, prefer a downtown St. Petersburg location, although only about 75% of potential tenants favor this location. The second most favored location is the St. Petersburg campus of the University of Southern Florida; interestingly, despite the campus being adjacent to downtown St. Petersburg, there were a number of potential tenants who would accept one location but not the other. Northern parts of the city rated much lower, with only about half as many potential tenants favoring that area versus downtown.

GCGI is pleased that the locational preferences of potential tenants meshes well with other factors that favor the downtown/USF-SP campus area. Those other factors include stipulation that a \$400,000 state grant is to be used on an incubator in St. Petersburg; the downtown area tends to have smaller firms (vs. northern parts of the city); there is antidotal evidence of entrepreneurs migrating to the downtown area; and both the marine sciences and Johns Hopkins activity are in the downtown/USF-SP campus area.

Potential tenants primarily want office space, with 79% of such survey respondents wanting offices. Another 32% are seeking warehousing/storage space. Although GCGI heard that there was considerable interest in wet laboratory space, only 12% of potential tenants requested such space.

Given the location and type of space sought, GCGI identified with the help of TBIC, City of St. Petersburg and Pinellas County, eight potential locations for the proposed incubator. These locations include six existing buildings, one proposed facility, and one area of vacant land where a newly constructed incubator could be built.

Overall, GCGI was satisfied with the level of consensus on location, the preferred location’s consistency with other locational factors, and the availability of appropriate types of space in that part of the city.

However, we recognize that roughly 25% of potential tenants may be alienated by the downtown location.

Development Funding

Using most of the building and land alternatives identified in the real estate assessment above, GCGI developed 17 different scenarios for the St. Petersburg area business incubator. These scenarios range from 7,000 to 50,000 square feet in size. Some are in leased buildings while others are in purchased facilities, and yet others are in newly constructed buildings. Given this variability in the scenarios, it is not surprising that the cost to develop the incubator ranges widely from \$180,000 to \$7.4 million.

Several potential funding sources for covering this development cost were identified. The first is the Federal Economic Development Administration (EDA), which is the largest funder of business incubators among Federal agencies. The second is donations of cash, equipment, furniture, services and construction materials. The third is an appropriation from the State of Florida for \$400,000 for creation of a St. Petersburg incubator. The fourth is local government; Pinellas County has made a major investment in the TBIC, and GCGI hopes that the County, perhaps along with the City of St. Petersburg, would help fund development of this new incubator.

These sources appear to be able to cover the development costs of only 7 of the 17 scenarios considered. GCGI was able to identify 4 additional scenarios whose development costs can be covered if the St. Petersburg incubator uses debt such as loans and bonds. Therefore, about 11 of the 21 possible scenarios can be funded under the assumptions made in this feasibility assessment. This suggests developers of the St. Petersburg incubator must be careful to select an alternative whose development costs can be covered, because this is not possible with all scenarios considered.

Operating Sustainability

The operating sustainability factor looks primarily at the St. Petersburg area incubator's ability to eventually generate sufficient revenues to cover its operating expenses. Sustainability can be important because potential development funding sources, like EDA, are not willing to invest in a project unless it has a good chance of reaching this "break even" position.

GCGI considered five-year cash flow projections for the 21 scenarios identified in the previous development funding assessment. This included considering whether scenarios in which debt capital was assumed to fill gaps in the development funding could afford to service that debt.

The best performing scenarios, in terms of reaching financial break even in their operations relatively quickly and at reasonable occupancy levels and after accruing relatively small amounts of deficits, tend to be those based on larger buildings, buildings that are purchased (or leased on very favorable terms), and newly constructed facilities.

One very favorable scenario, in terms of operating sustainability, is based on a 45,000 square foot portion of a large Pinellas County owned building in downtown St. Petersburg. Another involves the purchase of a 50,000 square foot portion of an industrial building in downtown that would then be

converted primarily into office space. A third is based on new construction of a 40,000 square foot incubator facility on vacant land adjacent to the Poynter Institute near downtown and the USF St. Petersburg campus. This third scenario, however, has a serious development funding gap that cannot be filled entirely with debt, but GCGI shows how the gap could be reduced and the resulting smaller gap filled with a loan or bond.

A very different alternative also was considered. TBIC has indicated that it might consider a temporary location for the St. Petersburg area business incubator. GCGI sees the merit of this approach; for example, TBIC might want to start the incubator but not finalize its size or content until the life science opportunities related to the entry of Johns Hopkins University become clearer. In this case, GCGI suggests consideration of a lease with the Poynter Institute for a 7,000 square foot area, at a rental rate lower than Poynter has suggested, for a period of 5 years, and that is funded largely out of the \$400,000 state grant to the St. Petersburg incubator. The downside to this scenario is that it consumes that entire grant with no long term benefit (like the benefit that exists if the \$400,000 were used to help purchase and renovate a building).

Feasibility conclusion

GCGI assigned scores to each of these six feasibility factors in terms of how well they were met by the proposed St. Petersburg area business incubator. Each factor is weighted differently based on its importance to the incubator's feasibility. This incubator earned a normalized score of 70 on a spectrum where a score of 100 would represent an "ideal" incubator and a 50 would define an incubator of "average" potential. The St. Petersburg area incubator score equates to an academic grade of about a B.

Because the St. Petersburg area business incubator got a reasonably high score on this feasibility assessment, and because the project has some real strengths and relatively few weaknesses (e.g., it did not score below average on any of the six feasibility factors), GCGI concludes that a mixed-use business incubator is feasible in this area.

Given the conclusion that a St. Petersburg area mixed-use business incubator is feasible, GCGI recommends the following next steps:

- A. TBIC should decide if it wants to begin with a temporary location in the St. Petersburg area, or establish a permanent one from the outset.
- B. If TBIC decides to begin with a temporary location, then GCGI recommends that Poynter Institute be approached about a 5 year lease of 7,000 square feet of space at a reduced rental rate. TBIC also should develop a conceptual plan of what it will do, in terms of a St. Petersburg location, after that lease expires
- C. If TBIC decides to begin with a permanent incubator location in the St. Petersburg area, then it next needs to decide if it will be a standalone incubator or a consolidated facility in which TBIC vacates its Largo location
- D. If TBIC decides to do a standalone permanent St. Petersburg area business incubator, then it should consider a mid-sized, viable scenario. It also might consider a variation of the new 25,000 square foot construction scenario with a manageable amount of debt.

- E. If TBIC decides to merge its current incubator with a new St. Petersburg program, then it should consider a larger, viable scenario. Once again, it might consider a variation on the larger new construction scenarios, such as those involving 40,000 or 50,000 square feet of space.
- F. Approach Pinellas County regarding access to space in the 501 1st Avenue North facility and under what terms that space would be made available to the TBIC.
- G. Approach Pinellas County, the Federal Economic Development Administration (EDA), and other funding sources to confirm their willingness to consider funding development of the St. Petersburg area incubator, and the parameters surrounding that funding (maximum and likely dollar amount, preferences or limitations on acquisition vs. renovation of already owned facility, etc.).
- H. Approach Poynter Institute about availability, cost, and terms under which it might make available to the incubator portions of 4 acres of vacant land adjacent to its facility on 3rd Street South
- I. Based on recommended activities D through H, decide preferred location/facility and development scenario for the incubator.
- J. Consider using portions of the \$400,000 state funding to make a down payment or option on land and/or facilities associated with the preferred scenario.
- K. Create a database of email addresses for market survey respondents who are interested in becoming tenants of the St. Petersburg area incubator. Create a similar database of those interested in using services at the incubator. Keep individuals on both databases apprised of progress in developing the project, to solicit feedback or ideas on the project as it develops, and to contact to lease space and sign up non-tenants as affiliate clients.
- L. Prepare a business plan to guide development and initial operations of the St. Petersburg incubator.
- M. Prepare and submit EDA funding application, emphasizing the non-Federal matching monies such as the \$400,000 state funding.
- N. Brief other providers of services to small and start-up businesses in the St. Petersburg region on the outcome of this feasibility study, explain the niche that the incubator is expected to fill, and reaffirm that the incubator does not intend to compete with exiting providers who are competent, affordable, and accessible to the incubator's clients.

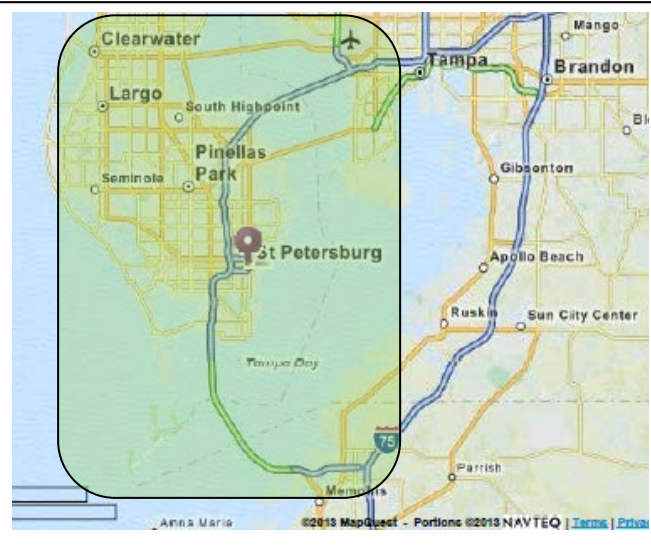
2. INTRODUCTION

The purpose of this project was to determine the feasibility of a small business incubator being proposed for the greater St. Petersburg area in the Tampa Bay region of Florida. A business incubator is defined as a facility and set of programs and services that collectively provide a supportive and nurturing environment for the formation of new companies and the expansion of existing small firms. A feasibility study focuses on answering the question "Will an incubator likely be successful in this environment?" It is often confused with a business plan, which answers a different question, "Now that we know it will be feasible, how should we set up and operate this incubator?" Note that a business plan does not need to be undertaken until an incubator has proven to be feasible.

The study area is the region surrounding the city of St. Petersburg, centering on its downtown area. The region likely would encompass Pinellas County, and perhaps portions of Manatee and Hillsborough Counties. Depending on the target market for the incubator, it could even include entrepreneurs in Sarasota County. Figure 1 shows the general region.

This feasibility study was commissioned by the Tampa Bay Innovation Center (TBIC). The TBIC has a 30,000 square foot manufacturing and technology incubator in Largo, Florida, approximately 15 miles north of downtown St. Petersburg. TBIC has provided incubation services and facilities under contract with Pinellas County, and was instrumental in applying for and securing a \$400,000 allocation from the Florida Legislature to develop an incubator in St. Petersburg. TBIC retained Greenwood Consulting Group, Inc. (GCGI), which has consulted on over 80 business incubator projects in the United States and Canada, to conduct this feasibility study during the summer of 2013.

Figure 1. Project Region



This report is organized into three main sections. The first section discusses how the St. Petersburg region and proposed incubator rank against the six factors that GCGI uses in its proprietary incubator feasibility model. The second section draws conclusions about the feasibility of the proposed St. Petersburg business incubator. Finally, the third section lists recommendations for next steps in this project.

3. FEASIBILITY FACTORS

Greenwood Consulting Group, Inc. (GCGI) considers six factors when determining the feasibility of a proposed business incubator. These factors are market, business assistance needs, champion, real estate, development cost and funding sources, and operating sustainability. In this section, the St. Petersburg region is evaluated against each of these factors.

3.1 Market

There must be an adequate market for a proposed incubator, or it will not be feasible. It does not matter how well a new incubator meets other factors or criteria if there are not sufficient entrepreneurs who want to become part of the project. This is especially true for potential tenants, because of their importance to making the incubator financially sustainable and creating the energy and interaction that can make an incubator a more conducive environment to start and grow businesses. GCGI relies heavily

on primary data to determine the adequacy of a market for a proposed incubator. Those primary data are collected through a market survey.

GCGI drafted a market survey form for this project, based on its many other incubator feasibility projects and its understanding of the St. Petersburg region. Feedback was received from TBIC on the draft form, and then the resulting final survey form was made available in paper form, and placed online for those respondents who wanted to respond electronically. Dissemination was made through a variety of email broadcasts by BioFlorida, TBIC, the St. Petersburg Chamber of Commerce, and the St. Petersburg downtown partnership. The survey also was distributed to attendees of a seminar on the SBIR/STTR programs offered by GCGI as part of this project. As a result of these considerable efforts, a total of 429 surveys for the St. Petersburg regional business incubator were returned to GCGI.

GCGI finds this to be a very strong response rate, given its experience elsewhere. This is the largest number of responses than we have ever received on an incubator market survey. For comparison, an earlier incubator feasibility study conducted by GCGI in Atlanta resulted in about 250 survey responses in that heavily populated area.

As discussed above, potential tenants are a particularly important part of the market for a proposed business incubator. Therefore, much of the following discussion on the market survey results for the St. Petersburg regional incubator focus on responses from potential tenants.

Of the 429 respondents to this market survey, 66 expressed an interest in becoming tenants of the proposed business incubator. As a percentage of the total survey responses, this is a below average response rate in GCGI's experience. There are a number of possible explanations for this lower percentage; however, the more important question is whether this would be an adequate number of tenants for the proposed incubator.

To answer this question, Table 1 on page 9 can be used to identify how many tenants are required to achieve various occupancy levels in a business incubator. The table shows occupancy levels ranging from 30% to 100%. It also shows different incubator sizes: incubators vary considerably in the size of their facilities, so Table 1 shows a range of 10,000 to 40,000 square feet.¹ GCGI assumes that only half of the potential tenants might actually locate in the St. Petersburg regional incubator. The yellow highlighted cells show the occupancy level that this number (n=33) of tenants would achieve. This many tenants would fill a smaller incubator of 20,000 square feet or less, and achieve a strong occupancy rate of about 90% in a 25,000 square foot incubator. This many tenants would provide much lower occupancy rates in incubators of 30,000 square feet or more. However, GCGI typically considers 60% or more to be a good initial occupancy level for a new incubator, and this rate could be achieved in a 30,000 to 35,000 square foot facility.

¹ Buildings are assumed to be 75% net leasable; e.g., in a 10,000 square foot facility, about 7,500 square feet would be available for lease to incubator tenants. Further, the average incubator tenant is assumed to occupy about 500 square feet, which is far below the average of about 1,700 to 1,900 square feet reported in the National Business Incubation Association (NBIA) publications *Business Incubation Works* (1997) and *1998 State of the Business Incubation Industry*. The 2012 update to the *State of the Business Incubation Industry* does not state an average, but GCGI estimates it to be about 625-650 square feet based on other data presented in that report.

Table 1. Tenants required to achieve various occupancy levels

Building Size		Occupancy Level							
		30%	40%	50%	60%	70%	80%	90%	100%
	10,000 sf	5	6	8	9	11	12	14	15
	15,000 sf	7	9	11	14	16	18	20	23
	20,000 sf	9	12	15	18	21	24	27	30
	25,000 sf	11	15	19	23	26	30	34	38
	30,000 sf	14	18	23	27	32	36	41	45
	35,000 sf	16	21	26	32	37	42	47	53
	40,000 sf	18	24	30	36	42	48	54	60

Therefore, it appears from Table 1 that there is an adequate market for this incubator, based on number survey respondents, and that an incubator of up to 35,000 square feet in size could be supported.

The data in Table 1 and from the surveys can be interpreted in a second way. There is some discussion about TBIC being combined with the proposed St. Petersburg incubator to create a single Pinellas County incubator. The current TBIC facility consists of about 30,000 square feet. If the two incubators are combined, then data in Table 1 could represent the tenants required to fill the net increase in square footage over the current TBIC facility; e.g., a new 45,000 square foot facility would devote 30,000 to replace the current TBIC facility, for a net increase in incubation space of about 15,000 square feet. Even if a number of current TBIC tenants are assumed to not relocate to the new St. Petersburg incubator from the current Largo location, it appears that the market could support a combined incubator of up to 55,000 square feet in size.²

The bulk of GCGI's market analysis focuses on potential tenants, because of their critical importance to the success of a new incubator. However, also important are those market survey respondents who were not interested in becoming tenants, but would like to receive business services at the proposed incubator. Out of the 429 St. Petersburg area incubator market survey respondents, 140 said they would be interested in such services. Of these, 20 also said they might become tenants, so the net is 120 additional respondents who want to utilize the proposed incubator. This is a large number, in terms of the number of small and start-up firms seeking business assistance and access to resources, and is an indication of unmet needs for business assistance in the St. Petersburg region. GCGI believes this suggests that the proposed business incubator should serve more than just its tenant companies, because it can become a focal point for business assistance in the region to other small and start-up businesses. It also suggests that the market for the incubator likely includes a number of "affiliates," which are firms that want a regular ongoing relationship with the incubator even though they are not tenants. In addition to greatly expanding the impact of the incubator beyond its tenants (in this case,

² GCGI assumed that one-third of the current TBIC space would not be needed because of existing tenants who do not transition to the new incubator, and common areas (e.g., conference room) that do not need to be duplicated. Therefore the needed space is $30,000 \times (1 - .33) = 20,000$ sf. The assumed number of new tenants for the new incubator, per the discussion above, is 33, which would generate an adequate initial demand in 35,000 square feet. Combined, we have $20,000 + 35,000 = 55,000$ square feet.

serving 120 non-tenants would almost triple the incubator's reach beyond 66 potential tenants), this also can be an important source of revenue for the incubator.³

Table 2 shows secondary data for the St. Petersburg area that were collected from various online and published sources. Disappointingly, secondary data that GCGI typically uses in helping assess the market for a business incubator are not available for this project, for several reasons. First, nonemployer data (on companies so small that they have no employees; GCGI believes these microbusinesses are good candidates for an incubator) are not available at any smaller scale than county-level, which makes them less useful for comparing city-level data for St. Petersburg. Second, city-level data on regular business establishments (unlike nonemployers, these are businesses with employees) are only available when an Economic Census is taken; the most recent data available are from the 2007 Economic Census, making them sufficiently old to be of doubtful value. Third, the zip-code-level data that are available more recently than Economic Census data are tedious to compile; for example, GCGI found 16 zip codes that encompass just St. Petersburg. And fourth, some very valuable data available from Pinellas County Economic Development are not readily available for other geographic areas, making it difficult to compare locations.

Table 2 compares data for St. Petersburg with several other communities in Pinellas County. With about 244,000 residents, St. Petersburg is by far the largest incorporated community in the County, with about 27% of the total population. It is not quite as dominant in its business community, with only about 25% of the county's business firms located in St. Petersburg. In contrast, Clearwater has only about 12% of the county's population but is home to 16% of the county's businesses.⁴ The final line in Table 2 also suggests St. Petersburg has larger businesses, since it has 28% of employees even though it has only 25% of the firms. Therefore, Table 2 suggests that St. Petersburg is the population and business "capital" of Pinellas County, but is not as strong, in terms of the number or size of firms, as a center of entrepreneurial activity.

Table 2. Data for Communities in Pinellas County⁵

	St Pete	Largo	Clearwater	Pinellas Park	Oldsmar	Seminole	Dunedin	Tarpon Springs	Other	Total
Pop (x1k)	244	78	108	49	14	17	35	23	348	916
% of total	27%	9%	12%	5%	2%	2%	4%	3%	38%	100%
# Bsns (x1k)	10.1	3.6	6.7	3.4	0.9	0.9	1.6	1.4	12.6	41.2
% of total	25%	9%	16%	8%	2%	2%	4%	3%	31%	100%
#employees (x1k)	135	49	75	44	11	12	12	11	125	474
% of total	28%	10%	16%	9%	2%	3%	3%	2%	26%	100%

³ Of these respondents interested in using services at the incubator, 48 also said they are service providers. A careful analysis of these responses should be made to see how many are truly interested in receiving services

⁴ Logically, the more rural portions of the county have a disproportionately high number of residents versus number of businesses; these are more likely "bedroom" communities where county residents live but who commute to jobs elsewhere in the area.

⁵ All data are from community tables on the Pinellas County Economic Development website, www.pced.org, or GCGI calculations using those data

Table 3 shows some of the zip-code-level data mentioned above. Shown are zip codes for the St. Petersburg area, along with data for the number of total business establishments in each, and the number of those establishments that have fewer than 5 employees. Lacking data on nonemployers, the “fewer than 5” data are used to approximate the distribution of microbusinesses. Per the second and third columns, three of the 16 zip codes dominate the business community (33701, 33710 and 33713) with a total of 34% of St. Petersburg business establishments. All three are in the southern part of the city, suggesting this is the hub of St. Petersburg’s business community, despite some significant business activity in the northern areas. The final row indicates that about 62% of the county’s businesses that have employees have fewer than 5 workers; however, this number differs considerably from one zip code to the other per data in the final column of Table 3. That column indicates that 78% of firms in zip code 33715 have 4 or less employees, while only 39% of business establishments in zip code 33716 are this small.

Table 3. St. Petersburg Business Establishments by Zip Code⁶

Zip	Tot Estabs	%of total	<5 empl	<5 %total
33701	1086	12%	668	62%
33702	673	8%	412	61%
33703	400	5%	294	74%
33704	501	6%	371	74%
33705	396	5%	259	65%
33706	574	7%	376	66%
33707	671	8%	459	68%
33708	472	5%	327	69%
33709	465	5%	294	63%
33710	1081	12%	603	56%
33711	334	4%	196	59%
33712	287	3%	166	58%
33713	837	10%	528	63%
33714	339	4%	198	58%
33715	179	2%	139	78%
33716	483	6%	189	39%
Total	8778	100%	5479	62%

Table 4 on page 12 puts some of these business establishment statistics into a regional, state and national perspective. While Pinellas County represents about 33% of the Tampa Bay Metropolitan Statistical Area (MSA) population, it has a higher percentage of regular business establishments (all, and those with under 5 employees) and of non-employer firms. Pinellas County has 39% of those establishments with 4 or less employees, which is almost 20% higher than its fraction of the MSA’s population. However, both the County and the MSA have fewer nonemployer businesses than the state or nation, with the county being about 20% below the state average. But the county, MSA and state are all about equal in terms of the fraction of regular business establishments with fewer than 5 employees, and that fraction is considerably higher than the national average. In summary, Pinellas County has a disproportionately large number of businesses in the MSA which suggests there are more opportunities

⁶ Data from U.S. Census Bureau, Zip Code Business Patterns (NAICS), <http://censtats.census.gov/cgi-bin/zbpnaic>

for a business incubator in the County, but those opportunities appear to be mostly with existing businesses that have at least a few employees, rather than with very small nonemployers.⁷

Table 4. Business Establishment Data

	Pinellas Cnty	MSA	Florida	USA
Population	918k	2797k		
Reg establishments	26114	69369		
<5 employees	16252	41949		
Nonemployers	72483	210258		
Ratio:nonemployer/reg estabs	2.8	3.0	3.5	3.1
% reg estabs with <5 employees	62%	60%	62%	55%

Considerable interest was expressed during this feasibility study in having the St. Petersburg business incubator focused on marine and/or life science companies. GCGI considered both primary data from the incubator market survey, as well as secondary data from published sources, in assessing the markets for such industries.

Overview of Marine and Life Science Incubator Interest

Table 5 indicates the industries represented by the potential tenants identified in the St. Petersburg regional business incubator feasibility study. Despite efforts to encourage participation in the survey by marine and life science entrepreneurs, and despite using broad or generous definitions of what might constitute a marine or life science firm, only 3 (or about 5%) of the 66 potential tenants indicate they are in the marine sciences, while only 1 (2%) indicated a health or life science interest. Put in the context of Table 1, a marine science only incubator in St. Petersburg could not reach a 30% occupancy level with this many tenants, even if it were only 10,000 square feet in size. The single life science respondent would not justify an incubator dedicated to the life sciences, while an incubator that was broadened to include health services⁸ would fill less than 60% of a 15,000 square foot incubator.

Table 5. Industries Represented by Potential Tenants

	Number ⁹	% of Total (n=66)
Marine & Ocean	3	5%
Life Sciences	1	2%
Health services	12	18%
Environment	3	5%
Personal services	20	31%
Business services	20	31%
Manufacturing/machine shop	1	2%
Technology	9	14%
Information Technology	6	9%
Construction	6	12%
Other	8	9%

⁷ It is important to point out that, contrary to some beliefs, incubators cater to existing small firms as well as start-ups. Periodic State of the Incubator Industry surveys by the National Business Incubation Association (NBIA) bear this out.

⁸ "health services" includes services to patients, including physical and mental health, and Eastern as well as Western medicine.

⁹ The total exceeds 66 because GCGI categorized some responses in multiple industries

Table 5 indicates the majority of potential tenants are selling services, with this 62% of the market being equally split between personal and business services. There is some technology interest, with about 14% of potential tenants being technology-related, including about 9% being in information technology.

Marine Sciences Market

Table 6 reinforces the small size of the marine science industry opportunity. Despite challenges in finding industry categories that can be defined as marine science,¹⁰ secondary data in Table 6 gives some indication of the marine science industry in this region. Even if we generously assume that all companies in the “research in the physical, engineering and life sciences except biotech” industry are in the marine sciences, there are only 73 marine science firms in Pinellas County (out of a total of about 26,000 firms, per Table 4). And of these, only 31 have fewer than 5 employees. Therefore, there are few marine science firms, and only a minority of them are smaller, having fewer than 5 employees. These smaller firms constitute 42% of all marine science businesses in Pinellas County, versus the county wide average of 62% per Table 4.

Pinellas County really dominates NAICS code 334511, Navigation/guidance/aeronautics/nautical system manufacturing, with 13 of the 14 such firms in the Tampa MSA located in the County. The County also has the largest number of firms in this industry compared to any other county in Florida. Unfortunately, only 2 of the 13 firms in NAICS 334511 in the County have fewer than 5 employees, suggesting this is an industry dominated by larger firms in the Pinellas area.

Table 6. Marine Science Industry Code Data

NAICS Industry Code	Industry	Pinellas County		Tampa Bay MSA		% of MSA in Pinellas	
		Reg Estab	<5 Empl	Reg Estab	<5 Empl	Reg Estab	<5 Empl
334511	Navig/guid/aero/nautical sys manuf	13	2	14	2		
33661	Ship & boat building	21	10	34	17		
541712	R&D in phys/engin/life sci excpt biotech	39	19	110	56		
Total		73	31	158	75	46%	41%
% Estabs <5 Employees			42%		47%		

When comparisons are made in Table 6 with all of the Tampa Bay MSA, it is clear that marine sciences are concentrated in Pinellas County. With only about 33% of the MSA’s population, Pinellas has 46% of marine science firms, as defined in Table 6. Another interesting comparison can be made in the size of marine science firms in the region: only 42% of those in Pinellas County have fewer than 5 employees, whereas the MSA-wide average is 47%.

In summary, while the marine science industry of the Tampa Bay MSA is concentrated in Pinellas County, that industry still is very small, and is dominated by firms with more 5 or more employees.

As an additional measure of marine science entrepreneurship in the St. Petersburg area, GCGI considered the Small Business Innovation Research (SBIR) awards of the National Oceanic and

¹⁰ A report by the University of Massachusetts Donahue Institute in 2005 speaks about “the difficulties in categorizing the marine science and technology industry into particular SIC or NAICS codes” and “the definition of the industry is not well established”

Atmospheric Administration (NOAA). In the 10 year period ending in 2012, NOAA made only one SBIR award in the entire state of Florida, and that small business was not in Pinellas County. In fact, NOAA made more SBIR awards during that decade to firms in Puerto Rico, Alaska, and New Mexico than it did in Florida. Therefore, the lack of NOAA funding for marine related innovations in the St. Petersburg area further indicates the lack of marine science entrepreneurs in the area.¹¹

In addition, GCGI found through the interviews we conducted during this feasibility study that, while there are many marine science industry workers in Pinellas County and St. Petersburg, the vast majority are employed within larger organizations, and most of those organizations are governmental or university research groups. Persons interviewed also indicated that few of these workers spun off businesses or even had part-time consulting businesses, in part because of the lack of demand (some indicated, for example, that the oil exploration and production firms have their own in house marine science capabilities). Therefore, despite the high concentration of marine scientists in the County and St. Petersburg, the market survey results, secondary data, and interview comments all suggest there is only a very small market for a marine science focused business incubator in this area.¹²

Life Sciences Industry

GCGI faced similar challenges when trying to define the life science industry, because we were focusing on the R&D, manufacturing, and laboratory components rather than the actual provision of services to patients. Using a University of South Florida analysis of the “Medical Product Industries Cluster in Tampa Bay,” GCGI identified 14 relevant NAICS industry categories. Pinellas County¹³ has greater presence in this industry than it does in the marine sciences industry discussed above. The County has almost 300 such life sciences firms, of which about 64% have fewer than 5 employees. This represents a disproportionately high percentage of the MSA’s firms in these life science industries (38% of the firms, versus the County only has 33% of the MSA’s population). However, this also means that out of 765 firms in these industries in the Tampa Bay MSA, over 450 are located outside of Pinellas County, so the county by no means has a dominant position in the life science industry in the Tampa Bay area.

Table 7 on page 15 shows the life science industry categories and business counts. Note that some categories are clearly broader than life sciences (e.g., 541690, Other scientific and technical consulting services), so these numbers are probably optimistic estimates of the true number of firms in this industry.

¹¹ See the later discussion in this section regarding patent activity, that also shows a lack of marine science innovation in the greater St. Petersburg area.

¹² As an additional data point, there is interest in creating an incubator in the Sarasota area with an emphasis on marine science. While a feasibility study has not been done for that project, one of its advocates believes marine scientists are, by necessity, more entrepreneurial there than in Pinellas County because Mote Research Laboratory is dependent on “soft” money and therefore its scientists and managers must constantly seek service, contract and grant opportunities.

¹³ As a reminder, GCGI had to focus on county-level data because very specific (in this case, 6 digit) and current NAICS data are only available at the County level. GCGI also found that such NAICS data are not readily available for nonemployers, so this analysis is further constrained to data on regular business establishments that have at least 1 employee.

Table 7. Life Science Industry in Pinellas County and Tampa Bay MSA

NAICS Category	Industry	Pinellas County		Tampa Bay MSA	
		All Bsns Estabs	<5 Employees	All Bsns Estabs	<5 Employees
325411	medical & botanical manuf	4	1	6	1
325412	Pharmaceutical prep manuf	6	1	10	4
334510	Electromedical apparatus manuf	6	3	13	5
334516	Analytical lab instrum manuf	4	3	6	4
339112	Surgical & med instrum manuf	11	4	17	5
339113	Surgical appliance & sup manuf	14	4	25	10
339114	Dental equip & supplies manuf	3	1	5	2
339116	Dental labs	41	27	101	74
541380	Testing labs	25	13	71	30
541690	Other sci & tech consulting svcs	95	81	275	231
541711	R&D in biotech	11	9	25	19
541712	R&D in phys/engin/life sci except biotech	39	19	100	56
621511	Medical labs	21	14	75	44
813212	Voluntary health organization	12	6	36	18
Totals		292	186	763	503

Table 7 shows the strong presence of life science related manufacturing in Pinellas County. Out of 82 such firms in the MSA, almost 60% are in Pinellas County; again, this contrasts with the County having about 33% of the MSA's population. However, note that these manufacturing firms are dominated by larger companies: only 17 of the 48 life science related manufacturers in Pinellas County have fewer than 5 employees. This is not surprising given the nature and requirements of this manufacturing industry, but it also suggests that there is not a large pool of small, life science manufacturers that might be attracted to a St. Petersburg area business incubator.

Probably the most promising industry categories in Table 7, in terms of candidates for the proposed incubator, are 541711, R&D in Biotechnology, and 541690, Other Scientific and Technical Consulting Services. Out of 11 R&D in biotech firms in Pinellas County, nine are small with fewer than 5 employees. And the consulting services industry includes almost 100 firms (or about one-third of the entire life science industry in Pinellas County), of which 85% have fewer than 5 employees.

GCGI also considered the size of the life science industry in Pinellas County compared to other counties in Florida. Figure 2 on page 16 summarizes the results. Pinellas County is fifth in the state, in terms of the number of life science companies in a subset of the 14 NAICS industry codes shown in the previous tables.¹⁴ It is dwarfed by Miami-Dade and Broward Counties, and somewhat unexpectedly, by Palm Beach County.

Figure 2 also considers the number of these life science firms per capita, to better understand where firms in this industry are more dominant segments of their business communities. Alachua County, with firms related to University of Florida and the Sid Martin Biotechnology Business Incubator, far exceeds the other counties listed. Pinellas County is essentially tied for second place with Broward, Palm Beach, and Sarasota Counties. GCGI concludes that Pinellas County has a notable presence in the Florida life

¹⁴ GCGI collected data for Florida Counties on only NAICS 621511 (medical labs), 541711 (R&D in biotech), 541712 (R&D no biotech), 325411-12 (pharma & medical manuf), and 339112-14 (medical manuf). GCGI wanted to look at industry counts that did not include consulting services and laboratories.

sciences industry, but it is not dominant relative to other counties including some in the greater Tampa Bay region.

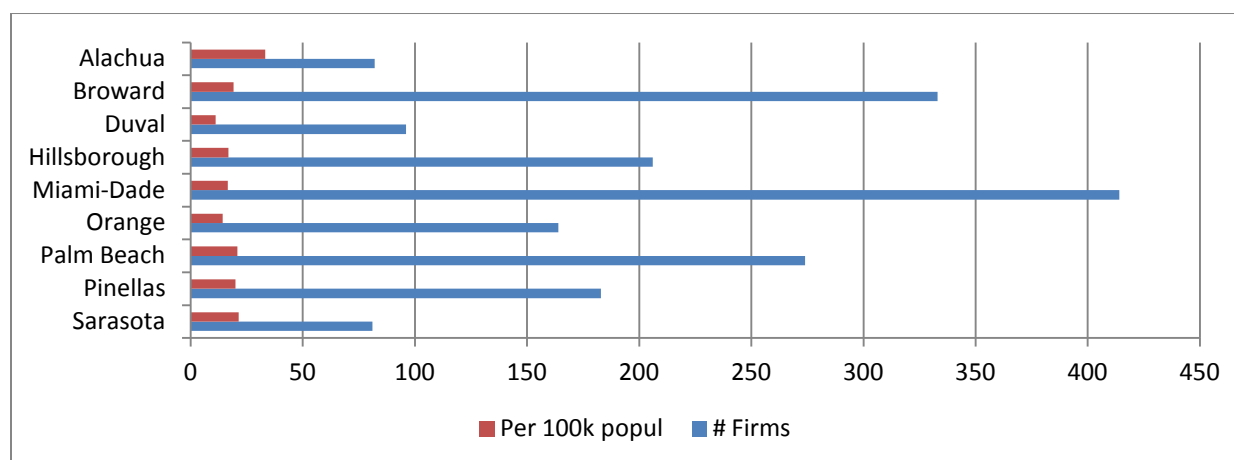


Figure 2. Life Science Firms By Florida County

GCGI found two sources of optimism that the life sciences industry in Pinellas County could be emphasized in a St. Petersburg area incubator.

First, a significant fraction of recent patenting activity in Pinellas County has occurred in the life sciences. Table 8 reflects data compiled by GCGI on filed patents reported by the U.S. Patent and Trademark Office (USPTO).

Table 8. Patent Activity in St. Petersburg Region

	# patents	#patents per 1k population	Life Sciences	Marine Sciences
St Petersburg	2156	8.5	26	9
Largo	1234	15.8	31	1
Clearwater	2266	21.0	41	10
Tampa	3519	10.5	80	6
Sarasota	2327	44.8	41	6
Dunedin	385	11.0	2	4
Pinellas Park	264	5.4	5	3
Seminole	629	37.0	8	2
Total	12780	13.8	234	41
% of Recent Patents			18.3%	3.2%

First, GCGI searched all patents issued by communities in the region. The total for those listed is almost 13,000 patents, with the largest number going to filers with Tampa addresses.¹⁵ To remove population size from the analysis, GCGI considered the number of patents filed per capita, with the results reported in the third column of Table 8. The average across the communities listed is about 14 patents filed for every 1,000 residents. The range among communities is very large, with St. Petersburg having the

¹⁵ Data are reported by the USPTO by the street address of the filer. Therefore, data presented here are based on the postal town or city associated with that address, and therefore cannot be compared directly with other data presented by County, city or other political subdivision.

second lowest per capita patent filing rate (8.5 per 1,000 residents). Sarasota shows a very high level of patent filing, which is about 5 times that of St. Petersburg.

The fourth column of Table 8 reports “recent” data in the life sciences. Patents are not reported by industry, but by title. Therefore, GCGI had to review the title of a patent, and make an educated guess as to what industry it might pertain to. Lacking time and resources in this project to do this labor-intensive effort on all 12,780 patents filed, GCGI decided to review the titles of only the most recently filed 10% of those patents in each community. Per the last lines of column four of Table 8, about 234 of the 1,278 patents most recently filed in these communities have been in the life sciences. This equates to about 18% of the recently filed patents. GCGI believes this indicates that there is considerable patenting activity in the life sciences in the greater St. Petersburg region. To the extent that patent filings can be an indicator of entrepreneurial interest and activity, this is a positive sign in terms of a market for the proposed St. Petersburg business incubator.

Note that the fifth column of Table 8 also considers the 10% of patents most recently filed, but in this case for the marine sciences. The modest level of activity, with only about 3% of recent patents being in this industry, reinforces our conclusion that marine sciences are not a strong prospect for the proposed incubator.

Second, Johns Hopkins University from Maryland has announced it will have a major presence in St. Petersburg in the not-so-distant future. Johns Hopkins is teaming with the All Children’s Hospital (ACH). It is possible that Johns Hopkins presence could have three positive impacts on life science entrepreneurship in the region.

- Johns Hopkins has a strong history of life science R&D, and that could result in spinoff firms and collaborations with firms that could decide to establish a local presence in the St. Petersburg area to collaborate
- Johns Hopkins has a reputation for encouraging entrepreneurship within its ranks, and it is possible that it will bring this culture, and policies and programs, to its St. Petersburg location
- The influx of the life science interests of this major university could create the critical mass, along with ACH, University of South Florida, and University of Florida, that is needed to generate greater life science business and entrepreneurship activity in the region.

Unfortunately, Johns Hopkins is very early in its entry into St. Petersburg and ACH, so it is very hard to judge if any or all of these positive impacts will occur or how large they will be. GCGI also noted a significant number of community leaders and members who feel the public investment in the Stanford Research Institute’s St. Petersburg operations has not generated the expected results, and therefore we believe some are leery of expecting too much from the emerging Johns Hopkins presence.

Anchor Tenant Opportunities

Included among the 66 potential tenants for the St. Petersburg area business incubator are 4 possible anchor tenants. An anchor tenant in a business incubator is defined as a tenant that does not require incubation services. GCGI believes anchors are important to a proposed business incubator for several

reasons. First, anchor tenants sometimes serve as mentors or role models for other tenants that are start-up and early stage entrepreneurs. Second, anchor tenants sometimes represent market opportunities for other tenants, as they may purchase goods and services from them. Third, anchor tenants can enhance the financial viability and stability of a business incubator, and can reduce the number of incubating tenants required to achieve critical occupancy levels. Fourth, in the case of anchor candidates in the business services industry, they might assist the incubator management in providing valuable business assistance to other tenants and clients of the incubator. Finally, an anchor tenant might serve as a magnet to attract desirable types of existing and start-up businesses to the incubator.

It also should be noted that anchor tenants are often included in business incubators. The 2012 State of the Business Incubation Industry (SBII) by NBIA indicates over half (57%) of North American incubators have anchor tenants, and those anchors occupied an average of 15% of the incubator space. This study indicates an average of four anchor tenants per incubator, compared to three anchors in the 2006 SBII study and only one or two anchors in the 2002 SBII study and GCGI's 2004 survey of business incubators in Appalachia—therefore, the trend is towards increased numbers of anchor tenants in incubators. It also is not necessary for the anchor to be in the same facility as the rest of the incubator, although such a division is not optimal since this reduces opportunities for the synergistic interactions between the anchor and incubating tenant companies.

Of the four respondents to the St. Petersburg area business incubator market survey who indicated an interest in participating as anchor tenants, two are in retail industries and therefore are not strong candidates for the proposed incubator. The others are in software and technology services for banking security and payment processing, and engineering and machine shop services, and could be viable anchor candidates for the proposed incubator.

Market Summary & Conclusion

In summary, the survey responses indicate a sizable market for the proposed St. Petersburg area incubator, with 66 respondents indicating an interest in becoming tenants. If only half of these respondents actually become tenants, this would represent a high occupancy level in small-to-medium sized incubator facilities, and even a reasonable initial occupancy level in a larger incubator.

However, the survey responses, as well as secondary data collected from a variety of sources, do not support making this a marine or life sciences only incubator. The vast majority of potential tenants are in a variety of other industries. Marine sciences are strong in the St. Petersburg area, but that strength lies almost entirely in public sector research activities at the university, and Federal and state government levels. To date, that large public sector involvement in marine sciences has not translated into many spinoffs or other entrepreneurial activities. Life sciences are relatively strong in the area, including private and small business activity, although much of the life science activity in the region is outside of Pinellas County, and other Florida counties have stronger life science industries. The St. Petersburg region could see a surge in its life science related entrepreneurial activity as Johns Hopkins University solidifies its presence in the area, but the nature and magnitude is uncertain at this time.

Patenting activity is strong in the region, although filers with St. Petersburg addresses are scarce compared to the regional average and nearby areas like Sarasota. Patent data reinforce the conclusion that life sciences could be a reasonable opportunity for a St Petersburg region incubator, while marine sciences represent only a very small opportunity.

GCGI concludes that there is a strong market for the proposed St. Petersburg business incubator, but that market is for a mixed-use incubator that caters to a variety of types of businesses in many different industries. GCGI understands the interests in life and marine sciences, but believes those interests can best be served by creating a strong, viable mixed-use incubator that also emphasizes or puts special attention on industries such as marine and life sciences. GCGI also believes the St. Petersburg area incubator needs to closely monitor developments as Johns Hopkins' presence grows to see if greater demand emerges to support life science small and start up businesses.

GCGI assigns a score to each factor in its incubator feasibility model, based on how well a proposed project satisfies that factor. GCGI's scale is 0 to 5, where 0 equates to "does not meet the factor at all" to 5 which is "meets the factor ideally." GCGI scores the proposed St. Petersburg incubator as a 4 on the market factor, which equates to "substantially above average." This high rating is based on the number of potential tenants, the availability of potential anchor tenants, the likelihood of affiliate clients who pay for services but not locate in the incubator, and the high occupancy rate that could be achieved in the proposed incubator. It is important to note that this score reflects our recommendation that the St. Petersburg incubator be a mixed-use program; if it were to be exclusively for marine or life science, or even for technology companies, then GCGI would score the incubator much lower. A marine science only incubator would be scored as a 0, a life science only incubator would be a 2, and a technology only incubator also would be scored as a 2.

3.2 Business Assistance

The second factor that GCGI considers in evaluating the feasibility of a proposed new incubator is business assistance. There must be, in GCGI's opinion, unmet needs for business assistance, or a business incubator is hard to justify. GCGI is very much opposed to incubators that duplicate existing services, or that compete with existing providers whose services are competently provided, reasonably accessible, and affordable to small and start-up businesses.

As part of the market survey conducted in this feasibility study of a St. Petersburg area business incubator, respondents were asked to indicate their areas of unmet business assistance needs. In analyzing the results, GCGI again focused on the 66 potential tenants for the proposed incubator. Table 9 on page 20 shows the areas of greatest unmet need.

By far, the area of greatest unmet need is marketing and market analysis, with over 60% of potential tenants needing help in this area. It is very common among GCGI's incubator feasibility studies that this ranks as the highest unmet need—it is perhaps indicative of the inexact "science" of marketing and market analysis that leads many entrepreneurs to feel that they can never know enough about this area,

Table 9. Areas of Greatest Need for Business Assistance

	# of Potential Tenants	% of Potential Tenants (n=66)
Marketing/market analysis	40	61%
Business planning	33	50%
Taxes, credits, planning	26	39%
Securing equity capital	25	38%
Accounting	22	33%
Intellectual Property Protection	21	32%
Legal issues	20	30%

and as well as the challenges of understanding and mastering social media as a new marketing vehicle. Business Planning ranks second, with about half of potential tenants needing help in this area. This indicates that the St. Petersburg area incubator needs to include “the basics” among its priority service offerings. The next three areas of highest need are all financial: potential tenants need help with taxes, securing equity capital, and accounting. The list is rounded out with two needs related to the legal aspects of business. It is somewhat surprising to GCGI that intellectual Property Protection is a concern of almost one-third of potential tenants—this is a high level of demand, given the modest number of respondents who said they were in technology businesses.

In addition to identifying areas of unmet business assistance needs, the market survey also can be used to identify the resources that potential tenants believe need to be located in the St. Petersburg incubator to meet their needs. Table 10 shows a subset of the resources that were listed in the survey form, and the number and percentage of potential tenants who expressed support for them.

Table 10. Business Resources Sought by Potential Incubator Tenants

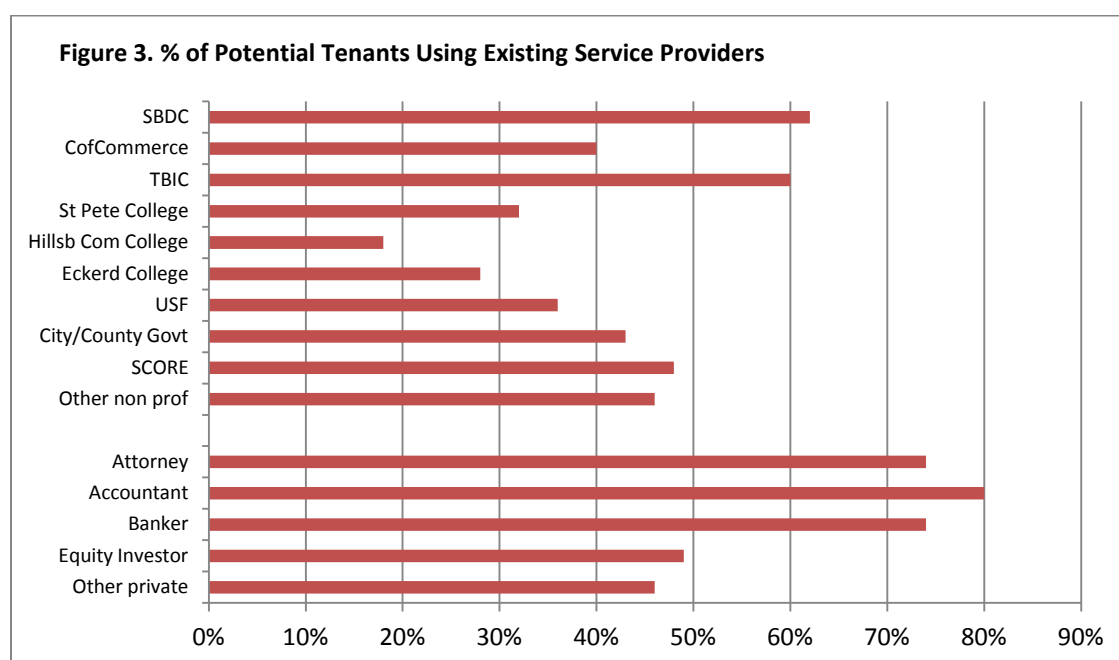
	# of Potential Tenants	% of Potential Tenants (n=66)
Office space	52	79%
Networking opportunities	46	70%
High speed internet	43	65%
Flexible leases	43	65%
Shared services (e.g., reception area, conference room)	38	58%
Business counseling	36	55%
Bookkeeping/Accounting Services	34	52%
Business mentoring/coaching	34	52%
Access to equity capital	30	45%
Training	15	22%

A variety of types of space that might be found in an incubator were listed in the resource question in the survey, but only “office space” ranked very high. This is an indication that the St. Petersburg business incubator would need to consist primarily of office space. As indicated above, the potential tenants want this incubator to include “the basics” because they highly value networking opportunities; high speed internet; flexible leases; and shared resources like a common reception area, conference room, and break room. Interest in the financial aspects of business is again apparent among potential tenants of the St. Petersburg incubator, with bookkeeping/accounting services and access to equity

capital ranking fairly high among desired incubator resources. The potential tenants also express their preferred mode of receiving help from the incubator: training is a resource desired by only 23% of potential tenants, whereas business counseling, mentoring and coaching were all sought by over half of the tenants. These are more labor intensive (and therefore more expensive) ways to provide assistance, so this burden needs to be considered later when this feasibility report addresses operating financial projections.

Business incubator market survey respondents also were asked about their satisfaction level with existing service providers. One question dealt with public and non-profit service providers, and another focused on for profit ones. In both cases, respondents were given a list of known providers, and asked to indicate if they had sought assistance from them in the past. If they had, respondents were asked to indicate if the service provider was “very helpful,” “helpful,” or “not very helpful.”

Figure 3 summarizes the utilization rate for both public/non-profit, and for-profit providers. These data reflect only those responses by the 66 survey respondents who said they were interested in becoming tenants of a St. Petersburg area business incubator.



Several important conclusions can be drawn from Figure 3.

- Many existing sources of assistance have not been used by potential tenants of the St. Petersburg incubator.
- This is particularly true for academic institutions; for example, only about one-third of potential tenants have used the University of South Florida to meet their needs.
- For profit providers have been used far more extensively than non-profit and public ones. The three most used sources are all for profit providers, with a remarkable 80% of potential tenants

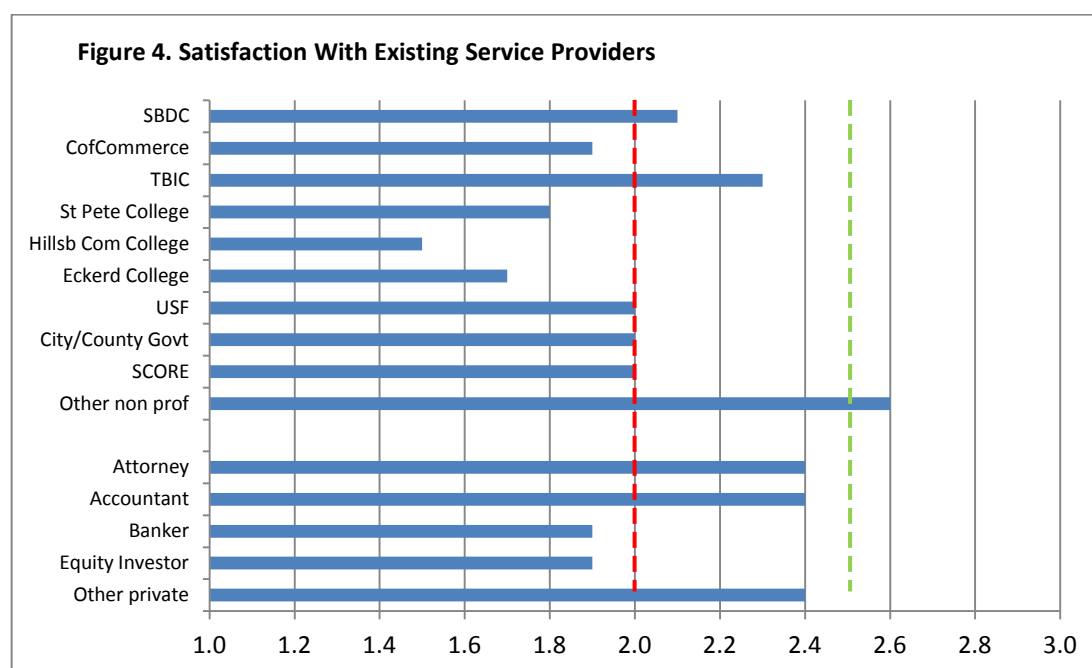
having already counseled with an accountant. In contrast, only 2 of the 10 public/non-profit providers have been used by more than 60% of potential tenants.

- The second most heavily utilized public/non-profit source of assistance is the TBIC; therefore, many potential tenants have already been introduced to the concept of a business incubator and the TBIC model.

Figure 3 suggests that an important service of the proposed St. Petersburg incubator would be to link its tenants and other clients with existing sources of assistance that are credible, accessible and affordable.

Figure 4 on page 23 is similar to Figure 3, but addresses the question of satisfaction of potential tenants with the services they received from existing providers. Survey respondents were asked to rate how well a service provider met their needs on a scale of 1 to 3, where 1 equals “not very helpful,” 2 equates to “helpful,” and 3 equals “very helpful.”

We have inserted two dashed vertical lines into Figure 4. The green dashed line is placed to show which service providers reached a satisfaction score of at least 2.5. We believe this would be a satisfaction score that would be acceptable, as it would indicate that clients typically were equally split between saying that a provider was “helpful” and “very helpful.” A second dashed vertical line appears at the score of 2.0, which is the score at which a provider is being rated as just “helpful.” This is the threshold below which a provider is really not serving the area’s small and start-up businesses, per the opinions of the 66 potential tenants to the St. Petersburg incubator.



Unfortunately, only the catch-all category of “other” public/non-profit providers exceeds the 2.5 threshold; this is expected, because respondents typically don’t write in a provider unless they feel particularly good or bad about them. Four providers do come close, earning average satisfaction ratings

of 2.3 to 2.4; they are the Tampa Bay Innovation Center, attorneys, accountants, and “other” for profit providers.

Some of the lowest average satisfaction ratings were given to academic institutions in the area, suggesting that the offerings at these colleges and universities are not meeting the expectations of small and start-up businesses in the region. Bankers also rate relatively low; this is common in GCGI’s experience because entrepreneurs, rightly or wrongly, often feel funders are too restrictive or conservative when dealing with their businesses.

One final note: of the 429 respondents to the market survey for the proposed St. Petersburg area business incubator, more than 100 of them indicated that they were service providers who were interested in working with clients of the incubator. This is a sizable number, in GCGI’s experience, and is a positive indicator that there are a number of providers who might be tapped to assist incubator clients.

Overall, GCGI believes there are several important roles that the proposed St. Petersburg business incubator can play in meeting the needs of small and start-up businesses in this area.

1. There are some unmet areas of business assistance that the incubator can either provide directly (providing counseling or other 1-on-1 assistance with market analysis, for example), or support and encourage other service providers if they are in a better position to make that assistance available.
2. The incubator needs to link its clients with competent, accessible and affordable existing sources of business assistance so that utilization rates will become higher than those shown in Figure 3.
3. The incubator should counsel its clients about the appropriate time and way to approach a service provider. A good example is coaching a tenant on how to seek out a working capital loan at a bank.
4. The incubator should work with service providers who are not meeting entrepreneurs’ expectations, if those service providers are receptive to modifying their offerings to better align with the needs of small and start-up businesses in the region. Therefore, not only should the St. Petersburg incubator not compete with other service providers, but it should also help those providers who are not meeting entrepreneurs’ expectations and are willing to accept help in doing a better job.
5. The large number of survey respondents who want to access services at the incubator indicates the importance of this program serving more than its tenant companies. As indicated earlier, offering services beyond its tenants can lead to a tripling of the incubator’s impact in terms of the number of small and start-up businesses it helps.

It appears that there is considerable unmet business assistance needs in the greater St. Petersburg area that could be addressed by the proposed incubator. Further, there are a number of important roles that the incubator could play in terms of linking small and start-up businesses in the area with existing service providers, and in helping service providers better meet entrepreneurs’ needs. Therefore, GCGI

believes this project earns a score of 4 on the business assistance factor, which equates to “substantially above average.”

3.3 Champion

The third factor that GCGI considers in its assessment of the feasibility of a proposed business incubator is “champion.” The champion of a business incubator is defined as the entity that takes primary responsibility for the development and at least initial operations of the project. The champion needs to have the willingness and ability to lead other community resources in this endeavor, and that includes having the respect of others in the community so that the champion’s lead will be followed.

The Tampa Bay Innovation Center (TBIC) is seen by many as the likely champion for this proposed incubator. GCGI believes that TBIC is a strong contender for this role in the proposed St. Petersburg business incubator, for a variety of reasons:

- The TBIC is recognized by the Pinellas Economic Development office as the provider of incubation services in the County. Pinellas County continues to invest substantially in TBIC, and that continued investment could be crucial to funding development and operations of the incubator.
- TBIC has a proven ability to raise funds. Most recently, it was part of the successful initiative to secure a \$400,000 allotment from the Florida Legislature for a St. Petersburg area incubator.
- TBIC has developed a set of programs and services for its existing incubator clientele, which can now be adapted and modified to meet the needs of the St. Petersburg incubator
- TBIC appears to enjoy strong support among community and business leaders in the St. Petersburg area.
- There has been discussion of creating a Tampa Bay business incubator network, along the lines of the network that University of Central Florida has created in the greater Orlando area. Putting both the TBIC and new St. Petersburg incubator under one champion/management umbrella would be consistent with the creation of such a regional network.
- As indicated earlier, there is some possibility that the TBIC would give up its current space in the Star Center in Largo, and consolidate its operations and tenants with the new St. Petersburg incubator. There would be obvious economies of scale of doing so, and such opportunities are limited to an organization like TBIC with a similar mission and staff skills set to what is needed in the new incubator.

At the same time, believes there are some disadvantages with the TBIC serving as the champion of the St. Petersburg business incubator:

- If the two incubators are not meshed into one program under one roof, then the TBIC will face the challenge of operating 2 separate incubators. GCGI has firsthand experience doing this, and appreciates the issues, including duplication of resources, maintaining equality in services and resources, and staffing inefficiencies.

- TBIC did not receive as high of a satisfaction rating among potential tenants as desired. As indicated in the previous section, GCGI would like to see service providers earning an average score of 2.5, while the TBIC fell a bit short with a score of 2.3. One reason for this is that three potential tenants scored TBIC as being “not very helpful” in meeting their needs—it is doubtful that someone who ranks TBIC that low would then want to become a tenant in a TBIC championed incubator. At the same time, TBIC tied for the most “very helpful” scores received by any public/non-profit provider, so it also has some very strong advocates.

While GCGI believes TBIC is overall a strong candidate to champion a St. Petersburg business incubator, we also think it is prudent to consider an alternative in case TBIC does not assume the champion role for whatever reason. Therefore, we also considered establishing a new entity to act as champion of the proposed business incubator. The benefits of a new entity include its ability to include (on its board of directors) representatives of many entities and factions in the community; its lack of “political baggage” that typically accompanies any existing organization; and the level of commitment, energy and enthusiasm that sometimes surrounds the formation of a new economic development initiative. The downside to a new entity is the energy that must be expended on formation and organization of the entity that otherwise might have been dedicated to the incubator itself, and the possible negative public perception that “yet another” economic development organization is being created.

In conclusion, GCGI considered two possible champions for the proposed St. Petersburg business incubator. Overall we think TBIC is very strong in this role, particularly if it can determine why some recipients of TBIC services have not been satisfied with them. Overall, GCGI has scored the St. Petersburg business incubator as a 4 on this factor in our incubator feasibility model, which equates to “significantly above average.” This high score is given primarily on the strength of the TBIC as the likely champion of this incubator, given its experience in incubation, its overall strong and positive reputation, and its designation as the provider of incubator services by Pinellas County.

3.4 Real Estate

The fourth factor in GCGI’s incubator feasibility assessment model is real estate. Because most business incubators include a facility,¹⁶ and the building tends to be the largest financial obligation of the project (and the largest potential source of revenue and expense), this is an important consideration.

Respondents to the market survey for the St. Petersburg business incubator were asked to express their preference for location of the project. Figure 5 shows the results for the 66 survey respondents who indicated an interest in becoming tenants of the incubator. Because of the commitment that these small and start-up businesses are making to the incubator, their preference is of paramount importance.

Each location in Figure 5 includes two values. The first value, shown in blue, is the percentage of potential tenants who find that location to be acceptable. The second value is shown by the red portion

¹⁶ The 2012 State of the Incubation Industry report by NBIA indicates that 93% of North American incubators include a dedicated facility

of each location's bar. This is the addition of those respondents who said they have no preference for location, and therefore presumably would accept any of those offered as choices in the survey.

There are two clearly preferable locations for the proposed incubator: downtown St. Petersburg, and near the campus of the University of South Florida's St. Petersburg campus. The downtown location would be acceptable to about 70-75% of potential tenants, while the campus location is acceptable to 50-60%. No other locational choice garnered support from more than 35% of potential tenants.

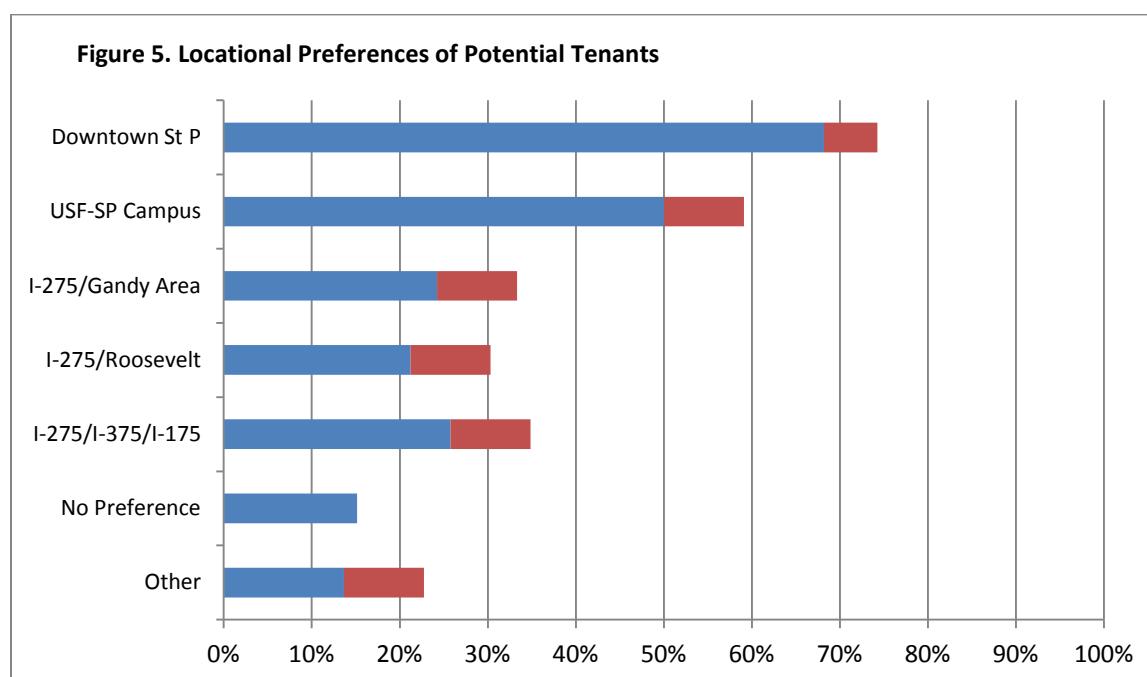


Figure 5 also suggests that potential tenants have relatively strong preferences for the St Petersburg incubator's location. Note that the "no preference" alternative, which is typically selected by someone who is very flexible about location, was the choice of only 10 of the 66 potential tenants. And, even though this survey question encouraged and allowed respondents to choose as many locations as they would like, the average respondent only selected two of the 7 locations offered (including the "other" category giving them maximum flexibility in specifying a location). Further, every potential tenant answered this question on the survey—this is again unusual, and indicative of strong locational preferences.

GCGI also finds it puzzling that some respondents would accept a downtown St. Petersburg location but not one at USF-SP, or vice versa. With the USF-SP campus adjacent to downtown, it would seem logical that both would be acceptable (or not) to any given respondent. Two possible explanations: first, it is possible that some respondents feel that parking is going to be more accessible at one location or the other; and second, some may like the idea of being in academic environment while others may favor being in the business community.

Fortunately, the preferred location for the St. Petersburg incubator is consistent with other factors that help drive the location decision:

- A \$400,000 grant from the state of Florida stipulates that the incubator be in St. Petersburg
- While there are many firms in the northern portion of the city, they tend to be larger companies while smaller firms are in the greater downtown area
- Several persons who GCGI interviewed indicated entrepreneurs have begun locating in the downtown area
- The new Johns Hopkins development is in southern St. Petersburg
- Virtually all of the marine science related institutions are in the downtown/USF-SP area

Therefore, it appears possible to locate the incubator where most potential tenants want it to be, and that is consistent with these other considerations. It is important to note, however, that GCGI concurs with TBIC that this incubator should serve the greater region even though its physical location is likely to be in downtown St. Petersburg.

Another relevant factor in identifying suitable locations for the proposed St. Petersburg incubator is the type of space needed. Once again, GCGI believes the incubator should be market driven, so this question is best answered by considering the types of space sought by potential tenants per respondents to the incubator market survey. Table 11 shows the types of space that respondents were asked to indicate on the resources question of the survey based on what they needed.

Table 11. Type of Space Wanted

	# potential tenants	% of potential tenants
Office	52	79%
Warehousing/storage	21	32%
Manufacturing/assembly space	12	18%
Arts & crafts studio space	11	17%
Commercial kitchen	8	12%
Wet laboratory	8	12%
Dry laboratory	5	8%

Clearly, the overwhelming demand is for office space, with almost 80% of potential tenants needing this type of space. This is more than double the percentage that wants the next most popular space type, which is warehousing and storage.

Despite a number of persons interviewed by GCGI who said that wet laboratories are in high demand, only 8 of the 66 potential tenants said they need this kind of space. GCGI believes that some wet lab space should be included in the St. Petersburg incubator if at all possible, because these 8 tenants could be important to furthering the life and marine science industries that the community wants to encourage. However, the cost of such space is very expensive,¹⁷ and therefore the incubator likely cannot afford to provide very much wet laboratory space. Developers of the St. Petersburg incubator also should consider opportunities to use existing wet laboratories to meet some of this demand.¹⁸

¹⁷ Some attribute the high cost of the city-owned building leased to Stanford Research Institute (SRI) in part to the large number of wet labs. The price to construct that building was reported to be about \$325 per square foot.

¹⁸ In separate discussions, both GCGI and TBIC heard that wet labs at some of the public institutions south of downtown St. Petersburg could be made available to third parties

GCGI was able to identify a variety of specific properties where the St. Petersburg business incubator might be located. It is understood that these same properties may not be on the market when the St. Petersburg incubator comes to fruition, but they are presented here to demonstrate the type of properties that might be available. Also, these properties become the basis for the financial scenarios presented in Sections 3.5 and 3.6 of this feasibility report. GCGI considered facilities of three general sizes. The first size would accommodate a smaller, temporary incubator. The second would be mid-sized, large enough to cater to the demand seen in the market survey conducted during this feasibility study. The third size would accommodate a combination of that demand plus tenants and functions in TBIC's current facility in Largo. A stand alone and a combined incubator both have advantages, and therefore both are considered here. A stand alone incubator is assumed to be something between 20,000 and 35,000 square feet, while a combined incubator would be between 35,000 and 50,000 square feet.

- **501 1st Avenue North.** This is a Pinellas County owned building. It is 10 stories high, consisting of a total of about 115,000 square feet. It is partially leased. It is controlled by the County Commission, but perhaps could be transferred to the County's Industrial Development Authority that could then make portions of it available to the St. Petersburg incubator.
- **155 17th St. South.** This is a larger facility that includes a 50,000 square foot warehousing space, of which 32,000 square feet is currently available. Its main advantages are the low price (\$2.50/sf lease, or \$1.5 million for the 50,000 square foot space) and compatibility with the type of space in 2nd highest demand per Table 11 above. The majority of its space would be converted to office space.
- **696 1st Avenue North.** This is a 4 story, 30,000 square foot "class B" office building. It is offered for lease at \$16/sf full service, or for sale at \$2.35 million.
- **700 Central Avenue.** This 6 story building consists of 82,000 square feet, of which 30,000 square feet is currently available. It appears to be available only on a lease basis, at a rate of \$19/sf full service. Free parking is included.
- **801 3rd Street South.** Space is available for lease in the Poynter Institute facility. This is a relatively small space (between 4,500 and 7,000 square feet plus use of reception area), but is in an excellent location in a modern, attractive office and meeting facility. Poynter has offered a lease to the TBIC for \$20/sf per year. It is seen as a possible temporary location for a St. Petersburg incubator.
- **250 8th Avenue SE.** This city owned property is between USF-SP and the Stanford Research Institute facility. It is formerly used as a cruise ship terminal. It consists of about 5,000 square feet of air conditioned space, and about 7,000 square feet of enclosed but not climate controlled space. It may be possible to add a second story or otherwise expand this space. It would only be available for a term of 10 or less years without a voter referendum, which is too short to satisfy funding sources such as the Federal Economic Development Administration (EDA). It could be sold, but again would require a referendum. No prices have been set for either lease or sale of the property.

- **Vacant land, various sites.** An important alternative for the St. Petersburg incubator is to construct a new facility. There is over 4 acres of vacant land adjacent to the Poynter Institute, and another 4 acre site is listed at 1650 7th Avenue North for \$1.4 million.
- **Johns Hopkins Tower.** Several interviewees mentioned the expectation that Johns Hopkins University will build a sizable facility in the All Children's Hospital complex, and that perhaps some portion of that space could be dedicated to the proposed incubator. GCGI has no particulars regarding size, cost, or limitations on use (e.g., would it be restricted to life sciences, and/or to JHU/ACH spinoffs).

Therefore, it appears that there is some variety of building types and sizes in the downtown St. Petersburg area, which might be suitable for the proposed business incubator. Some are available for lease, while others will have to be purchased—as shown in Sections 3.5 and 3.6, it is worthwhile to consider both, since they have significantly different implications for the development and operating financials of the incubator. New construction can be considered, and again will be shown to have different advantages and disadvantages over purchase or lease of existing property.

Finally, GCGI believes it is important to highlight a couple of “executive suite” projects in this area, which may be seen somewhat as competition to an incubator, and which indicate the kind of rental rates being paid for smaller offices with shared amenities.

- **700 7th Avenue North.** Spaces of 135 to 170 square feet. Includes “simple office environment” and price includes internet and utilities Priced at \$32-\$36/sf per year.
- **721 1st Avenue North.** Executive suites of 170 to 210 square feet, including conference room, receptionist, work area. Priced at \$41-\$44/sf per year.

These rental rates seem quite high, but it does indicate that smaller office space, with access to shared amenities, can demand rental rates that are above market rates in the community.

In summary, there is good but not strong consensus on the best location for a St. Petersburg area business incubator, which would be in the downtown area preferably convenient to the USF-SP campus and Johns Hopkins/All Children's Hospital complex. There are some existing facilities in the downtown area that may be available for an incubator that could range from 7,000 to 50,000 square feet depending in part on whether the new incubator would be combined with the relocation of the current TBIC tenants, although the properties that best meet the locational preferences tend to be on the smaller end of this range. And rental rates for “executive suites” in the area suggest that premium prices can be had for smaller office space with shared amenities.

This project's real estate strengths include reasonable consensus (among potential tenants) on the best location for the proposed incubator, consistency of tenants' location preferences with other important factors driving the incubator location to be in the downtown/south St. Petersburg location, and the availability of at least some facilities that might meet the space needs of this incubator. Its weaknesses are the probable loss of 25% of potential tenants who won't accept the downtown location, and a disconnect between the best downtown location (nearer to USF-SP and ACH) and the size of building

options available there. On balance, GCGI has given this project a score of 3 on this factor, which equates to “slightly above average.”

3.5 Development Cost & Funding

This is the first of two financial factors that GCGI considers in evaluating the feasibility of a proposed business incubator. This factor considers the approximate cost of creating the St. Petersburg area business incubator, and possible sources of funding to cover that cost.

In order to estimate the cost to develop the St. Petersburg incubator, various scenarios were developed based on the real estate alternatives presented in Section 3.4. GCGI used six of those alternatives to create a total of 17 scenarios, which are presented in Table 12 on page 31.¹⁹

There are three primary differences in the scenarios as shown in Table 12. First, the size of the incubator facility varies from 7,000 square feet to 50,000 square feet. Second, some scenarios assume a building is purchased (or constructed) and then owned by the incubator, while others assume a building is leased. Finally, some leased scenarios are based on an “affordable” rental rate. To explain the latter point further, GCGI believes some scenarios may not be viable if the incubator must pay the asking rental rate, whereas they may be viable if the rental rate they pay is lower. Therefore, on these scenarios, GCGI considered in Section 3.6 what rental rate could be paid (or is “affordable”) given the other operating parameters of the project.²⁰

Table 12. Scenarios for St. Petersburg Area Business Incubator

Category	Scenario							
	#1a	#1b	#1c	#1d	#2a	#2b	#2c	#2d
	501 1 st Avenue North 25k sf \$1/yr	501 1 st Avenue North 25k sf “affordable” lease	501 1 st Avenue North 45k sf \$1/yr	501 1 st Avenue North 45k sf “affordable” lease	155 17 th St. South 32k sf lease	155 17 th St. South 50k sf purchase + anchor	155 17 th St. South 50k sf lease	155 17 th St. South 50k sf purchase no anchor
Facility Size	25k sf	25k sf	45k sf	45k sf	32k sf	50k sf	50k sf	50k sf
Management	TBIC	TBIC	TBIC	TBIC	TBIC	TBIC	TBIC	TBIC
Ownership	Lease	Lease	Lease	Lease	Lease	Own	Lease	Own

Category	Scenario								
	#3a	#3b	#4	#5a	#5b	#5c	#6a	#6b	#6c
	696 1 st Avenue North Lease	696 1 st Avenue North Purchase	700 Central Avenue 30k sf Lease	801 3 rd St South 7k sf Lease	801 3 rd St South 7k sf “Affordable” Lease	801 3 rd St South 7k sf “temporarily affordable” lease	New construct 25k sf	New construct 40k sf	New construct 50k sf
Facility Size	30k sf	30k sf	30k sf	7k sf	7k sf	7k sf	25k sf	40k sf	50k sf
Management	TBIC	TBIC	TBIC	TBIC	TBIC	TBIC	TBIC	TBIC	TBIC
Ownership	Lease	Own	Lease	Lease	Lease	Lease	Own	Own	Own

¹⁹ No scenarios were created for two of the real estate options presented in Section 3.4. First, the cruise terminal is too small and could not be made available for the incubator without voter referendum. Second, there is too little information on the Johns Hopkins “tower” to run any scenarios on this possibility

²⁰ Scenario #5c is labeled as “temporarily affordable” which will be explained later in this section

Scenario #1a and Scenario #1c assume that Pinellas County makes portions of its building on 1st Avenue North available to the incubator on the same terms as its makes available the Star Center in Largo to the TBIC. Therefore, the County is assumed to make space available for \$1 per year to the St. Petersburg area incubator.

Scenario #5c also deserves an explanation. TBIC has expressed interest in possibly using the Poynter Institute space on 3rd Street South temporarily until a larger, permanent incubator facility can be secured. A delay also may be justified while the community waits for the entrepreneurial implications of Johns Hopkins University's entry into the community become clearer. Therefore, in this scenario, the St. Petersburg incubator temporarily locates in the Poynter Institute building, and uses the Florida Legislature's allocation for this project (described below) during a five year period to cover rent to the Institute and other operating costs.

Given the 17 scenarios shown in Table 12, GCGI then estimated the cost to develop the St. Petersburg incubator under each one. The estimated development cost for each scenario is shown in Table 13 on Page 32. The "purchase" scenarios include a line item for acquiring the facility. Most scenarios include a budget for renovation of the existing space, and in some cases build out of industrial or warehousing space into office space. The new construction scenarios include an assumed construction cost of \$120 per square foot. Other important assumptions are:

- Purchase prices equal to 85-90% of current asking price
- An allowance of \$25,000 for closing costs on scenarios involving purchase of land or a building
- Contingency equal to 8% of renovation, construction and equipment
- Renovation costs vary by perceived quality of space, and amount of work required to convert to office or assembly space
- \$50,000 allowance for basic equipment and furniture, and basic telecommunications infrastructure

Table 13 indicates that the cost to develop the St. Petersburg area business incubator will range between \$180,000 and \$7.4 million. This extreme range of values comes from the variability in the scenarios considered, with the \$180,000 cost coming in a small leased space and the \$7.4 million being the purchase of land and construction of 50,000 square feet of incubator space.

The other important variable, which appears in the second to last row in Table 13, is the estimated cost of initially subsidizing the St. Petersburg incubator. This is the approximate amount of funds needed to cover operating deficits during the early years of operations of the incubator. GCGI believes this subsidy amount needs to be included in development costs so that the developer will secure this money before the incubator commences operations. If this amount is not secured up front, then the incubator manager and board of directors are diverted from what should be their priority—namely attracting and serving tenants and other clients—and forced to go into fund raising mode. GCGI also believes the subsidy amount should be included in the development cost estimate to more clearly indicate the true cost of creating this new incubator.

Table 13. Development Costs for St. Petersburg Area Business Incubator

Category	Scenario							
	#1a	#1b	#1c	#1d	#2a	#2b	#2c	#2d
	501 1 st Avenue North 25k sf \$1/yr	501 1 st Avenue North 25k sf "affordable" lease	501 1 st Avenue North 45k sf \$1/yr	501 1 st Avenue North 45k sf "affordable" lease	155 17 th St. South 32k sf lease	155 17 th St. South 50k sf purchase + anchor	155 17 th St. South 50k sf lease	155 17 th St. South 50k sf purchase no anchor
Purchase of Bldg/Land						\$1,275k		\$1,275k
Renovation	\$875k	\$875k	\$1,575k	\$1,575k	\$2,040k	\$2,040k	\$3,188k	\$2,040k
New Construction								
Equipment, Furnishings	50k	50k	50k	50k	50k	50k	50k	50k
Demolition/Remediation								
Closing/A&E/soft costs						25k		25k
Contingency	74k	74k	130k	130k	167k	167k	259k	167k
TOTAL FACILITY COST	\$999k	\$999k	\$1,755k	\$1,755k	\$2,257k	\$3,557k	\$3,497k	\$3,557k
Operating Subsidy	130k	150k	25k	230k	400k	25k	180k	25k
TOTAL DEVELOPMENT COST	\$1,129k	\$1,149k	\$1,780k	\$1,985k	\$2,657k	\$3,582k	\$3,677k	\$3,582k

Category	Scenario								
	#3a	#3b	#4	#5a	#5b	#5c	#6a	#6b	#6c
	696 1 st Avenue North Lease	696 1 st Avenue North Purchase	700 Central Avenue 30k sf Lease	801 3 rd St South 7k sf Lease	801 3 rd St South 7k sf "Affordable" Lease	801 3 rd St South 7k sf "temporarily affordable" lease	New construct 25k sf	New construct 40k sf	New construct 50k sf
Purchase of Bldg/Land		\$1,998k					\$510k	\$680k	\$850k
Renovation	\$750k	750k	\$750k	\$70k	\$70k	\$70k			
New Construction							3,000k	4,800k	6,000k
Equipment, Furnishings	50k	50k	50k	50k	50k	50k	50k	50k	50k
Demolition/Remediation									
Closing/A&E/soft costs							25k	25k	25k
Contingency	64k	64k	64k	10k	10k	10k	244k	388k	484k
TOTAL FACILITY COST	\$864k	\$2,887k	\$864k	\$130k	\$130k	\$130k	\$3,829k	\$5,943k	\$7,409k
Operating Subsidy	1,400k*	100k	1,900k*	600k*	50k	300k*	130k	25k	25k
TOTAL DEVELOPMENT COST	\$2,264k	\$2,987k	\$2,764k	\$730k	\$180k	\$430k	\$3,959k	\$5,968k	\$7,434k

This row in Table 13 include another subtle but important item of information. Some of the scenarios show an asterisk (*) beside the estimated amount of require operating subsidy. This signifies the scenarios where the St. Petersburg incubator would never break even, and would require a perpetual operating subsidy every year of its operation. Therefore, in these scenarios, the amount shown for operating subsidy represents the funds required to cover only the first five years of operations. This will be discussed further in Section 3.6, but the modest number of scenarios that will require perpetual operating subsidies (only 4 out of 17 subsidies) is a positive indication of the long term viability of the proposed incubator.

Given the estimates in Table 13 of the money required to develop this proposed incubator, Table 14 on page 33 provides possible ways to cover these costs. The first potential funding source is the Federal Economic Development Administration (EDA). The EDA is the largest source of Federal funding for

Table 14. Development Funding Sources for St. Petersburg Business Incubator

Category	Scenario							
	#1a	#1b	#1c	#1d	#2a	#2b	#2c	#2d
	501 1 st Avenue North 25k sf \$1/yr	501 1 st Avenue North 25k sf "affordable" lease	501 1 st Avenue North 45k sf \$1/yr	501 1 st Avenue North 45k sf "affordable" lease	155 17 th St. South 32k sf lease	155 17 th St. South 50k sf purchase + anchor	155 17 th St. South 50k sf lease	155 17 th St. South 50k sf purchase no anchor
Econ Development Admin	\$500k	\$500k	\$878k	\$878k	\$1,129k	\$1,779k	\$1,748k	\$1,779k
Donations	30k	30k	30k	30k	30k	30k	30k	30k
Legislature	400k	400k	400k	400k	400k	400k	400k	400k
Local government	200k	225k	500k	700k	1,000k	1,000k	1,000k	1,000k
Loans/Bonds								
Total Development Funding	\$1,130k	\$1,155k	\$1,808k	\$2,008k	\$2,559k	\$3,209k	\$3,178k	\$3,209k
Surplus (Deficit)	\$1k	\$6k	\$28k	\$23k	(-\$99k)	(-\$374k)	(-\$498k)	(-\$374k)
Deficit coverable with debt?	n/a	n/a	n/a	n/a	No	Yes	Yes	Yes

Category	Scenario								
	#3a	#3b	#4	#5a	#5b	#5c	#6a	#6b	#6c
	696 1 st Avenue North Lease	696 1 st Avenue North Purchase	700 Central Avenue 30k sf Lease	801 3 rd St South 7k sf Lease	801 3 rd St South 7k sf "Affordable" Lease	801 3 rd St South 7k sf "temporarily affordable" lease	New construct 25k sf	New construct 40k sf	New construct 50k sf
Econ Development Admin	\$432k	\$1,443k	\$432k				\$1,915k	\$2,000k	\$2,000k
Donations	30k	30k	30k	\$30k	\$30k	\$30k	30k	30k	30k
Legislature	400k	400k	400k	400k	400k	400k	400k	400k	400k
Local government	1,000k	1,000k	1,000k	300k			1,000k	1,000k	1,000k
Loans/Bonds									
Total Development Funding	\$1,862	\$2,873k	\$1,862	\$730k	\$430k	\$430k	\$3,345k	\$3,430k	\$3,430k
									484k
Surplus (Deficit)	(-\$402k)	(-\$113k)	(-\$902k)	\$0k	\$250k	\$0k	(-\$615k)	(\$2,538k)	(-\$4,004k)
Deficit coverable with debt?	No	Yes	No	n/a	n/a	n/a	No	No	No

business incubators. Current parameters for EDA funding for a project like the proposed incubator include:²¹

- As a guideline, EDA will fund about 50% of a project's development cost. This may be higher in situations of high economic distress in the community
- Requests for \$500,000 are more palatable than those for \$2 million, in the interest of spreading EDA's limited funds as widely as possible
- The \$400,000 state commitment to the St. Petersburg incubator project (discussed below) is seen as a powerful enhancer to securing EDA funding, especially with this state funding already secured in advance

²¹ Based on phone conversation between Jonathan Corso, EDA Representative for Florida, and Jim Greenwood, President of GCGI, on April 18, 2013

- Job creation is the primary goal of the EDA funding, but EDA recognizes that immediate job creation is not likely with incubators
- Preference is for “fast growth, high tech” incubators
- Preference is for new construction or renovation of a building that has already been purchased, but funding for acquisition is not ruled out
- EDA wants to see financial projections that lead to a financially sustainable incubator in a reasonable time frame, like 5 years or less.
- EDA funding is available to economically distressed areas, defined by high unemployment or low per capita incomes. Most of Florida qualifies currently under the high unemployment criterion.

These guidelines suggest that EDA funding is a good candidate for the St. Petersburg area incubator, but not necessarily a perfect fit. Those scenarios that require perpetual operating subsidies (see the discussion of Table 13 above), and those involving acquisition of a facility,²² are less likely to be suitable for EDA funding. However, at this stage of our analysis, GCGI has assumed that all considered scenarios could receive EDA funding equal to 50% of their “non operating subsidy” development costs. Note, however, that no EDA funding is assumed for Scenarios #5a through #5c, because the modest amount that can be secured is likely not worth the effort required to submit the EDA application. Further, GCGI believes that \$2 million is likely a maximum that EDA would realistically fund, and therefore no scenario shows more than this amount in EDA grant funds.

The second source of development funding shown in Table 14 is donations. It is typical that a new incubator can attract donations of used office equipment and furniture, discounted design services, and discounted construction labor and/or materials. Some cash donations also may be received. Therefore, GCGI has included a modest budget of \$30,000 for such donations in all of the scenarios considered.

The third source of development funding is the Florida Legislature. Prior to preparation of this feasibility study, the state legislature had allotted \$400,000 to a business incubator in the city of St. Petersburg. GCGI is aware of several other Florida communities that have sought incubator funding through the Legislature and this is the only successful request to our knowledge; the parties that prepared and supported this request are to be congratulated for their success.

The fourth funding source for the incubator shown in Table 14 is local government. It is not unreasonable for the EDA and Florida Legislature to expect a local investment in a project that both Federal and state government are committing to. Pinellas County’s Economic Development Office, and its Industrial Development Authority, has supported TBIC by providing a low cost facility and operating funds; TBIC is currently mid-way through a five-year commitment from Pinellas County IDA of \$300,000 to \$500,000 per year to support the incubator. Some persons interviewed by GCGI during this feasibility study also believe the City of St. Petersburg should help support the incubator. From these combined local sources, GCGI has assumed an amount up to what is needed to cover the gap between other sources and the development cost of each scenario. However, GCGI further assumes this amount cannot exceed \$1 million, and therefore some scenarios still have a funding gap as discussed below.

²² This might be addressed by using other resources to acquire a building, then use EDA funds for its renovation

The fifth and final source shown for funding the development of this incubator is loans/bonds. While taking on such debt is clearly inferior to receiving grants and similar funding that does not have to be repaid, more and more communities have had to turn to debt financing to cover the cost of developing a new incubator. GCGI has personal experience developing and operating debt-funded incubators, and therefore knows that this is a viable alternative in some cases. However, a key consideration is whether the project can service the debt, paying off the loan or bonds in a reasonable time period. No specific dollar amounts are shown for debt financing for any of the scenarios in Table 14, but this source is further discussed below.

The second to last row in Table 14 highlights whether the sources that GCGI has listed are sufficient to cover the estimated development cost of each scenario. Those scenarios with negative values (shown in red, in brackets, and preceded by a negative sign) are ones where the identified sources are not enough to cover development costs. Disappointingly, 10 of the 17 scenarios considered in this analysis could not be funded adequately. This means that these scenarios would require larger local government contributions, a request that EDA go beyond its guideline of funding up to 50% of a project's construction costs, and/or a reduction in development costs. An additional alternative is to turn to debt financing to fill the funding gap. The last row of Table 14 indicates which scenarios could service enough debt to cover their funding gaps. It appears that debt funding will work with only 4 of the 10 scenarios with a funding gap.

In summary, GCGI has identified six alternatives based on the real estate opportunities presented in Section 3.4. A total of 17 scenarios were identified for the alternatives, and the cost of developing the St. Petersburg incubator was estimated for each. This results in an estimated cost of development ranging between \$180,000 and \$7.4 million. Non-debt sources of funding to cover these costs were identified, and collectively will cover the development cost of 7 of the 17 scenarios considered here. Another four scenarios appear to be able to cover their development costs if they include debt funding; therefore, approximately 11 scenarios appear to be viable from a development funding perspective.

This project's strengths are its eligibility for EDA funding, the availability of \$400,000 in state funds, and the precedence of Pinellas County funding the current TBIC incubator program. Its weaknesses are the competition for EDA funding and the effort required to secure this funding, and the number of scenarios for which there do not appear to be sufficient funds to develop them. On balance, GCGI rates this project as a 3 on this feasibility factor, or somewhat above average.

3.6 Operating Sustainability

The sixth factor in GCGI's business incubator feasibility model is, like factor #5, a financial consideration. This factor evaluates the incubator's ability to become financially self sustaining, and in a reasonable time period.

Sustainability is important in at least two respects. First, incubators that do not achieve self sustainability are at risk of closing when one or more sources of operating subsidies decides to terminate their participation in the operations of the incubator. Second, some funding sources will not favorably consider a proposed incubator where sustainability does not appear to be likely. An important

example of this latter point is the Economic Development Administration: per the discussion above in Section 3.5, EDA gives priority to incubators with sustainability potential.

GCGI has prepared operating financial projections for 27 scenarios based on the scenarios that were presented in Section 3.5.²³ Those projections are based on the following assumptions:

1. The St. Petersburg incubator will consist primarily of office space
2. Rental rates for offices are set at \$19 per square foot per year. This rate is inclusive of utilities, maintenance, common area charges, and insurance on the facility. This rate is based on what TBIC currently charges. It may appear high for this market, but is inclusive of all of these charges that often are quoted as add-ons, so the triple net equivalent is about \$14 per square foot per year. This rate is also far below the rates being charged locally for small “executive suite” office spaces
3. Light assembly, storage, and similar space is priced at \$12 per square foot per year, also inclusive of charges listed above
4. Tenants also pay additional charges for extraordinary use of the conference room and photocopier, and this generates about \$1.75 per square foot per year in additional revenue
5. The incubator has eight affiliates (non-tenant) companies, paying \$65 per month to access services and resources
6. The incubator is assumed to have a higher vacancy rate initially of about 40%, which decreases over time to not less than 10%. The initial vacancy rate is lower for very small alternatives like Scenarios #5a through #5c.
7. Operating expenses like utilities and CAM are estimated at \$3.50 per square foot for the entire incubator facility, plus an additional \$2.50 per square foot for the occupied areas. These rates are based on estimates for the current TBIC incubator and historical costs in the building at 501 1st Avenue North.
8. Staffing is assumed to consist of a full-time receptionist at \$35,000 and a full-time incubator manager at \$65,000. An additional allowance of 25% is added to cover employer paid payroll taxes and fringe benefits. No receptionist is needed in Scenarios #5a through #5c because Poynter Institute front desk staff will perform this function. GCGI also assumed the manager of these very small (7,000 square foot) scenarios would only be a half-time (0.5 FTE) employee. However a full time manager is required for the other scenarios, especially given the potential tenants’ preference to receive services via more labor intensive counseling, mentoring, etc.
9. GCGI considered several ways to express and examine the scenarios that might involve combining the new St. Petersburg incubator with the existing TBIC incubator. To minimize confusion and to help clarify what revenues/expenses and break even statistics are attributable to the new St. Petersburg project, GCGI decided to present all scenarios as though this is a “stand alone” incubator. For example, Scenario #6b shows the operating parameters for a 40,000 square foot incubator staffed by a full time manager and receptionist. However, it also

²³ Section 3.5 indicates that 17 scenarios were considered, but GCGI then ran variations on 10 of them where debt financing appears to be a viable additional source of development funding, for a total of 27 scenarios considered here

can be used to show the non-TBIC operating financials of a 40,000 square foot incubator that is combined with the other TBIC incubator in Largo. An example of this latter situation would be 25,000 square feet dedicated to relocated tenants, staff and programs from the TBIC Largo site, and 15,000 square feet for new tenants, staff and programs for the new St. Petersburg incubator.

10. Unlike the current TBIC arrangement with Pinellas County, GCGI has assumed that the St. Petersburg incubator will retain rental and service income from its tenants. In return, the St. Petersburg incubator does not ask for the annual \$300,000-\$500,000 funding allotment like the TBIC receives from the county although, per Section 3.5, there is an expectation for the county (and perhaps the city of St. Petersburg) to contribute initially to development of the incubator.

Based on these assumptions, Table 15 on page 39 summarizes several key operating financial parameters of the various scenarios considered for the St. Petersburg area business incubator. Full five year cash flow projections for each scenario are found in Appendix C.

It is important to note that Table 15 expands the scenarios presented in the previous two tables. The addition is made to the scenarios for which GCGI had not identified sufficient development funding to cover their estimated development costs, or those scenarios with negative (shown in red, and in brackets) values in the bottom row of Table 14. Those scenarios are now given an option in which their funding gap is covered by loans, bonds, or other debt capital. For most scenarios, it is assumed that an obligation carrying a 4% interest rate and a 10 year term must be paid by the incubator. However, in the scenarios for newly constructed buildings that the incubator would own, GCGI has assumed the debt could be paid over a 20 year term. These variations on Scenarios #2a, #2b, #2c, #2d, #3a, #3b, #4, #6a and #6b are denoted as the “.1” suffix; e.g., the debt carrying version of Scenario #2a is #2a.1.

The first row of Table 15 on page 38 shows the approximate operating deficit that will accrue before the St. Petersburg incubator reaches break even and becomes sustainable. Those scenarios showing the infinity sign (∞) in this row are those that are not able to reach breakeven, and therefore will require a perpetual operating subsidy. **Disappointingly, half of the scenarios considered cannot reach breakeven and therefore are not self sustainable.** Common characteristics of the unsustainable scenarios are:

- Based on leased buildings where the rent paid to the landlord is not significantly different than the rent that the incubator can charge its tenants
- Smaller buildings where it is more difficult to spread operating costs, like staffing, across leasable square footage
- Expensive new construction alternatives (Scenarios #6a through #6c) if large portions of their development costs have to be funded with debt capital.

Of those scenarios that can reach breakeven, the most impressive ones are those that accumulated no operating deficit (signified as \$0k in the first row of Table 15), or that incur a minor \$5,000 accumulated operating deficit like Scenario #1c. The common characteristics of these strong performers are:

- Larger buildings
- Purchased buildings, or those leased at very modest rates (e.g., Scenario #1c at \$1/year)

- Large, newly constructed buildings if additional development funding sources can be found that do not require repayment.

The second row of Table 15 indicates what year the St. Petersburg area business incubator can reach financial break even. For those scenarios that are not sustainable, there is no breakeven year and

Table 15. Key Operating Financial Parameters for St. Petersburg Business Incubator

Category	Scenario								
	#1a	#1b	#1c	#1d	#2a	#2a.1	#2b	#2b.1	#2c
	501 1 st Avenue North 25k sf \$1/yr	501 1 st Avenue North 25k sf "affordable" lease	501 1 st Avenue North 45k sf \$1/yr	501 1 st Avenue North 45k sf "affordable" lease	155 17 th St. South 32k sf lease, no debt	155 17 th St. South 32k sf lease, debt	155 17 th St. South 50k sf purchase + anchor, no debt	155 17 th St. South 50k sf purchase + anchor, debt	155 17 th St. South 50k sf lease, no debt
Accum Operating Deficit	\$132k	\$175k	\$5k	\$230k	~\$350k	~\$375k	\$0k	\$21k	\$180k
Break Even Year	Yr 4	Yr 4	Yr 1	Yr 3	~Yr 7	~Yr 7	Yr 1	Yr 2	Yr 3
Break Even Occupancy	86%	~90%	61%	84%	~96%	98%	54%	67%	80%
Yr 5 Cash Surplus	\$7k	(-\$5k)	\$158k	\$33k	(-\$27k)	(-\$39k)	\$126k	\$81k	\$62k
Devel Funding Surplus	\$0k	\$6k	\$28k	\$23k	(-\$99k)	\$0k	(-\$374k)	\$0k	(-\$498k)

Category	Scenario							
	#2c.1	#2d	#2d.1	#3a	#3a.1	#3b	#3b.1	#4
	155 17 th St. South 50k sf lease, debt	155 17 th St. South 50k sf purchase no anchor, no debt	155 17 th St. South 50k sf purchase no anchor, debt	696 1 st Avenue North Lease, no debt	696 1 st Avenue North Lease, debt	696 1 st Avenue North Purchase, no debt	696 1 st Avenue North Purchase, debt	700 Central Avenue 30k sf Lease, no debt
Accum Operating Deficit	~\$575k	\$0k	\$42k	∞	∞	\$76k	\$126k	∞
Break Even Year	~Yr 7	Yr 1	Yr 2	n/a	n/a	Yr3	Yr 3	n/a
Break Even Occupancy	95%	59%	68%	n/a	n/a	76%	82%	n/a
Yr 5 Cash Surplus	(-\$37k)	\$187k	\$139k	(-\$206k)	(-\$255k)	\$38k	\$22k	(-\$296k)
Development Funding Surplus	\$0k	(-\$374k)	\$0k	(-\$402k)	\$0k	(-\$113k)	\$0k	(-\$902k)

Category	Scenario									
	#4.1	#5a	#5b	#5c	#6a	#6a.1	#6b	#6b.1	#6c	#6c
	700 Central Avenue 30k sf Lease, debt	801 3 rd St South 7k sf Lease	801 3 rd St South 7k sf "Affordable" Lease	801 3 rd St South 7k sf "temporarily affordable" lease	New construct 25k sf, no debt	New construct 25k sf, debt	New construct 40k sf, no debt	New construct 40k sf, debt	New construct 50k sf	New construct 50k sf
Accum Operating Deficit	∞	∞	\$50k	∞	\$132k	∞	\$21k	∞	\$0k	∞
Break Even Year	n/a	n/a	~Yr 6	n/a	Yr 4	n/a	Yr 1	n/a	Yr 1	n/a
Break Even Occupancy	n/a	n/a	94%	n/a	86%	n/a	64%	n/a	58%	n/a
Yr 5 Cash Surplus	(-\$405k)	(-\$103k)	(-\$5k)	(-\$54k)	\$7k	(-\$13k)	\$122k	(-\$39k)	\$203k	(-\$64k)
Development Funding Surplus	\$0k	\$0k	\$259k	\$0k	(-\$615k)	\$0k	(-\$2,538k)	\$0k	(-\$4,004k)	\$0k

therefore these scenarios are shown as "n/a" in this parameter. Among the sustainable scenarios, they range from a very desirable Year 1 in five of the scenarios, to a very marginal Year 7 in Scenarios #2a,

#2a.1 and #2c.1. GCGI generally accepts any scenario that can reach breakeven by Year 3 or 4 to be very good on this parameter.

The third parameter shown in Table 15 is break even occupancy. This indicates how full the incubator needs to be to reach break even. Once again, the scenarios that are not sustainable do not have a break even occupancy—put another way, these scenarios cannot generate enough revenues to cover their operating costs even if they are 100% full. GCGI believes a breakeven occupancy of around 80% is reasonable; the St. Petersburg scenarios range from only 54% in Scenario #2b to undesirable (and probably unrealistic) scenarios above 90%. Occupancy above 90% is unrealistic in an incubator where tenants are expected to enter and exit the facility regularly, and therefore even “transitory” vacancy should be expected and planned for in the financial projections.

The fourth parameter shown in Table 15 is Year 5 cash surplus. GCGI considers the net cash that remains after the incubator takes its Year 5 revenues and subtracts its operating costs for that year as a measure of how robust the St. Petersburg incubator is in its ability to generate net cash. Scenario #6c is able to generate about \$200,000 in net revenues in Year 5, while Scenario #2d is second highest at \$187,000. In sharp contrast, Scenario #4.1 will lose \$405,000 in Year 5 alone—there is little wonder that this is an unsustainable scenario with no break even potential.

A fifth parameter appears at the bottom of Table 15. This is a repeat of the last line in Table 14, in which we estimated the any gap between the money available to develop each scenario and cost of development. This is repeated here, so that it is easier to see which scenarios are sustainable in operations and for which adequate development funding can be raised. The “ideal” scenarios are like #1c, where they can reach breakeven in Year 1 at a modest 61% occupancy, have a Year 5 cash surplus of \$158,000, and have enough up front capital to cover the cost of developing the St Petersburg area business incubator (with about \$28,000 to spare). The worst scenarios are exemplified by Scenario #4, where the project can never reach breakeven, will incur a \$296,000 operating deficit in Year 5, and is short by over \$900,000 in the capital required to develop the incubator.

GCGI believes the most impressive scenarios, per the operating summaries as well as the development funding potential shown in Table 15 are Scenario #1c, which is a 45,000 square foot portion of the Pinellas County owned building at 501 1st Avenue North, and Scenario #2b.1, in which a 50,000 square foot industrial building is purchased and renovated into primarily office space.

Several important conclusions can be drawn from this analysis of the operating financials of the proposed St. Petersburg business incubator that are summarized in Table 15:

- Scenarios based on larger facilities, in general, are more sustainable than those based on smaller ones. This is logical, given the ability of a larger facility to cover fixed operating costs such as staffing, but is not true in some other projects where those larger buildings are not affordable or must be leased at high rental rates.
- There would be more viable scenarios if debt funding could be avoided as part of their development funding packages. For example, Scenario #6a indicates a newly constructed 25,000 square foot incubator could break even in Year 4 at 86% occupancy, but Scenario #6a.1 says that

the incubator in a newly constructed 25,000 square foot facility can never break even if the development funding gap of \$615,000 is filled with debt that must be repaid. Therefore, attempts to find additional development funding that does not have to be repaid, and/or to reduce development costs, would be worthwhile.

- If the \$400,000 state legislature allocation is used for operating costs, Scenario #5c indicates it would be possible to place the St. Petersburg incubator temporarily in the Poynter Institute facility for a period of about 5 years. However, per the details of this scenario shown in Appendix C, this scenario is still dependent on the rental rate paid by the incubator being reduced to \$13/sf/year from the current asking price of \$20/sf/year.
- Newly constructed incubator facilities of 40,000 or 50,000 square feet have very strong operating financials, and have an additional advantage if they could be placed on the very desirable vacant land adjacent to the Poynter Institute. Their major drawback is the funding gap of \$2.5 to \$4.0 million on these scenarios, and their inability to fund this entire gap through debt capital. However, efforts to restructure the financing of these new construction scenarios could make them more viable. For example, GCGI ran an additional version of Scenario #6b, in which a 40,000 square foot incubator is newly constructed in downtown St Petersburg. Particulars of that scenario include:
 - Land assumed to be purchased at 80% of asking price
 - EDA investment increased to \$2.5 million
 - Local government contribution increased by \$250,000
 - New building is designed to be 80% leasable
 - Rents are raised to \$20/sf gross for office and \$13/sf gross for other uses

Table 16 shows the operating financial parameters of this alternative, compared to the original Scenario #6b and Scenario #6b.1. While not as favorable on operations when compared to the original Scenario #6b, it still has very respectable parameters such as break even in 3 years at 82% occupancy—and unlike the original scenario, it can cover its development cost.

Table 16. Additional Scenario (#6b.2) for 40k sf New Construction

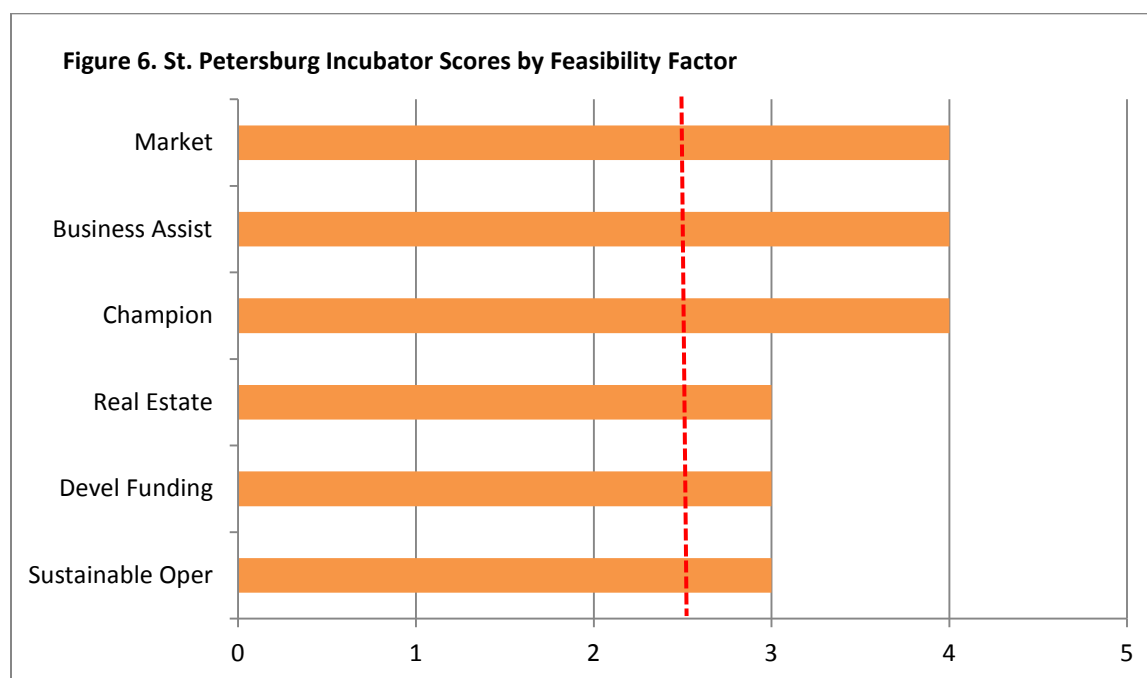
	Scenario		
	#6b	#6b.1	#6b.2
	New construct 40k sf, no debt	New construct 40k sf, debt	New construct 40k sf, less debt, other adjustments
Accum Operating Deficit	\$21k	∞	\$210k
Break Even Year	Yr 1	n/a	Yr 3
Break Even Occupancy	64%	n/a	82%
Yr 5 Cash Surplus	\$122k	(-\$39k)	\$47k
Development Funding Surplus	(-\$2,538k)	\$0k	\$0k

- Several scenarios deserve no further consideration, because they are such poor performers in terms of operating financials. Those scenarios include Scenarios #3a, #3a.1, #4, #4.1, #5a, #6a.1, #6b.1 and #6c.1.

Overall, GCGI believes this project earns a score of 3 on the financial sustainability factor in our incubator feasibility model. This score corresponds to a rating of “somewhat above average.” This is clearly a compromise score, because there are some very poorly performing scenarios for the St. Petersburg incubator, there are two very strong performers, and then there are other scenarios, like #6b.2 presented in Table 16, that could become very viable based on more aggressive assumptions and reductions in their debt load.

4. CONCLUSIONS

Figure 6 summarizes how the proposed St. Petersburg business incubator scores on the six factors in Greenwood Consulting Group, Inc. (GCGI) incubator assessment model. The red dashed line shows the score that would be given to an incubator of “average” potential. The project is quite strong on three factors (market, business assistance, and champion), and slightly above average on the remaining three factors (real estate, development funding, and operating financial sustainability). It is important to note that the project is not below average on any factor, which is the first indicator that this incubator has strong feasibility potential.



GCGI also considers the relative importance of each of these six factors to the feasibility conclusion. Not all factors are equally important, so they must be weighed differently in estimating the overall feasibility of this project. GCGI has established the following weights, which it has used consistently on dozens of incubator feasibility studies throughout the United States and Canada:

<u>Factor</u>	<u>Weight</u>
<i>Market</i>	<i>5.0</i>
<i>Champion</i>	<i>5.0</i>
<i>Real Estate</i>	<i>3.0</i>
<i>Business Assistance</i>	<i>3.0</i>
<i>Development Funding</i>	<i>5.0</i>
<i>Financial Self-Sustainability Potential</i>	<i>4.0</i>

By multiplying the score received by the St. Petersburg area business incubator times the corresponding weight, then summing the resulting values and normalizing so that 100 is the score of an “ideal” incubator and 50 is the score of an “average” incubator, this incubator earns an overall feasibility score of 70. This equates to an “academic grade” of about B.

Overall, GCGI concludes that the proposed St. Petersburg area business incubator is feasible. This conclusion reflects that this is basically a strong, although imperfect, project. It does not have any serious weaknesses, although the three factors on which the project scores a 3, or “slightly above average,” are areas where additional work could be done to strengthen the incubator’s success potential.

It is important to clarify that this conclusion that a St. Petersburg incubator is feasible is contingent on the project being a mixed-use incubator catering to a variety of types of small and start-up businesses in many different industries. As discussed in the market factor section, we have serious reservations about an incubator in St. Petersburg that caters exclusively to the marine sciences, or even to life sciences or technology clients. We believe a St. Petersburg area incubator is infeasible if it has an exclusive focus on any of these markets.

5. RECOMMENDATIONS

Based on the conclusion that a mixed-use business incubator is feasible in the St. Petersburg region, GCGI recommends the following “next steps.”

- A. TBIC should decide if it wants to begin with a temporary location in the St. Petersburg area, or establish a permanent one from the outset.
- B. If TBIC decides to begin with a temporary location, then GCGI recommends that Poynter Institute be approached about a 5 year lease of 7,000 square feet of space at a reduced rental rate. TBIC also should develop a conceptual plan of what it will do, in terms of a St. Petersburg location, after that lease expires
- C. If TBIC decides to begin with a permanent incubator location in the St. Petersburg area, then it next needs to decide if it will be a standalone incubator or a consolidated facility in which TBIC vacates its Largo location

- D. If TBIC decides to do a standalone permanent St. Petersburg area business incubator, then it should consider a mid-sized, viable scenario such as Scenario #3b or #3b.1. It also might consider a variation of Scenario #6a and #6a.1 with a moderate amount of debt.
- E. If TBIC decides to merge its current incubator with a new St. Petersburg program, then it should consider a larger, viable scenario such as Scenario #1c or #2b.1. Once again, it might consider a variation on the larger new construction scenarios, such as Scenario #6b.2.
- F. Approach Pinellas County regarding space in the 501 1st Avenue North facility and under what terms that space would be made available to the TBIC.
- G. Approach Pinellas County, the Federal Economic Development Administration (EDA), and other funding sources to confirm their willingness to consider funding development of the St. Petersburg area incubator and the parameters surrounding that funding (maximum and likely dollar amount, preferences or limitations on acquisition vs. renovation of already owned facility, etc.).
- H. Approach Poynter Institute about availability, cost, and terms under which it might make available portions of 4 acres of vacant land adjacent to its facility on 3rd Street South
- I. Based on recommended activities D through H, decide preferred location/facility and development scenario for the incubator.
- J. Consider using portions of the \$400,000 state funding to make a down payment or option on land and/or facilities associated with the preferred scenario.
- K. Create a database of email addresses for market survey respondents who are interested in becoming tenants of the St. Petersburg area incubator. Create a similar database of those interested in using services at the incubator. Keep individuals on both databases apprised of progress in developing the project, to solicit feedback or ideas on the project as it develops, and to contact to lease space and sign up non-tenants as affiliate clients.
- L. Prepare a business plan to guide development and initial operations of the St. Petersburg incubator.
- M. Prepare and submit EDA funding application, emphasizing the non-Federal match such as the \$400,000 state funding.
- N. Brief other providers of services to small and start-up businesses in the St. Petersburg region on the outcome of this feasibility study, explain the niche that the incubator is expected to fill, and reaffirm that the incubator does not intend to compete with exiting providers who are competent, affordable, and accessible to the incubator's clients.

Appendix A. Market Survey Summary, All Respondents (n=430)²⁴

Survey: St. Petersburg Business Incubator Survey
Deploy Date: 07/19/2013
Total Responses: 430

1. Are you already in business?

Responses Percent

Yes, I already have an existing firm: 333 78.17%
 No, I'm starting up: 21 4.93%
 No, I am only thinking about starting a new business: 34 7.98%
 If other, please specify: 41 9%
 Total Responded to this question: 426 99.07%
 Total who skipped this question: 4 0.93%
 Total: 430 100%

2. If you decide to form a new business, when might you start it?

Responses Percent

In the next 18 months: 31 40.26%
 Uncertain at this time: 46 59.74%
 Total Responded to this question: 77 17.91%
 Total who skipped this question: 353 82.09%
 Total: 430 100%

3. If you have an existing business, how many employees do you have?

Responses Percent

none: 131 33.25%
 1-4: 162 41.12%
 5-9: 39 9.9%
 10 or more: 62 15.74%
 Total Responded to this question: 394 91.63%
 Total who skipped this question: 36 8.37%
 Total: 430 100%

4. If you have a company or are thinking of starting one, please briefly describe what your business does or will do:

Responses Percent

My company provides: 335 99.7%
 for customers who need: 284 84.52%
 Total Responded to this question: 336 78.14%
 Total who skipped this question: 94 21.86%
 Total: 430 100%

5. If you have or are thinking of starting a small business, in what areas would you like more help? Please mark all that apply.

Responses Percent

Marketing / Market Analysis: 155 54.39%
 Converting R&D into products: 27 9.47%
 Personnel Management: 32 11.23%
 Accounting: 60 21.05%
 Financial Analysis: 47 16.49%
 Intellectual Property Protection: 48 16.84%
 Legal Issues: 72 25.26%
 Business Planning: 94 32.98%
 Product Development: 38 13.33%
 Taxes, credits, planning: 82 28.77%
 Business Registration: 27 9.47%
 Manufacturing Process: 14 4.91%
 Debt Financing: 44 15.44%
 Securing Equity Capital: 69 24.21%
 Import / Export: 26 9.12%
 Selling to the Government: 51 17.89%
 Operating structure (partnership, corporation, LLC, etc): 31 10.88%
 Becoming a supplier to other existing/emerging industry in the region: 58 20.35%
 If other, please specify: 53 18%
 Total Responded to this question: 285 66.28%
 Total who skipped this question: 145 33.72%
 Total: 430 100%

6. One area of emphasis in this incubator might be the marine science industry. If you have or are in the process of starting a business (or have an idea for a business start-up) that is related to marine science, please mark any of the following categories that describe the focus of your existing or planned business.

Responses Percent

Marine biology: 7 6.86%
 Marine chemistry: 4 3.92%
 Marine geology: 4 3.92%
 Marine physics: 3 2.94%
 Marine engineering: 9 8.82%
 Services to marine industries: 43 42.16%
 Products for marine industries: 21 20.59%
 Software as a Service (SaaS): 12 11.76%
 If other, please specify: 38 37%
 Total Responded to this question: 102 23.72%
 Total who skipped this question: 328 76.28%
 Total: 430 100%

²⁴ Report is based on 429 survey responses, but these data reflect an additional response received late in the feasibility study

7. Another area that might be emphasized in a St. Petersburg area incubator would be health and environmental businesses. If your existing or planned business is in this industry, please indicate its purpose or focus (mark all that apply)

Responses Percent

Medical services: 30 20.27%
 Medical devices: 32 21.62%
 Nutrition: 11 7.43%
 Pediatrics: 6 4.05%
 Services to hospitals: 38 25.68%
 Services to health care professionals: 53 35.81%
 Environmental consulting: 17 11.49%
 Air or water quality: 18 12.16%
 Environmental monitoring: 12 8.11%
 Environmental chemistry: 8 5.41%
 Training & Education: 35 23.65%
 R&D, technology development: 33 22.3%
 Software as a Service (SaaS): 19 12.84%
 If other, please specify: 38 25%
 Total Responded to this question: 148 34.42%
 Total who skipped this question: 282 65.58%
 Total: 430 100%

8. In general, do you think a business incubator is a good idea for the St. Petersburg area?

Responses Percent

Yes: 281 89.49%
 No: 34 10.83%
 Total Responded to this question: 314 73.02%
 Total who skipped this question: 116 26.98%
 Total: 430 100%

9. Remembering this business Incubator would serve existing as well as start-up small businesses, is the incubator something that you might use?

Responses Percent

Yes: 227 71.84%
 No: 90 28.48%
 Total Responded to this question: 316 73.49%
 Total who skipped this question: 114 26.51%
 Total: 430 100%

10. If you might use space or services of a St. Petersburg area business incubator, please indicate the features that would be useful to your business (please mark all that apply)

Responses Percent

Wet laboratory space: 14 5.67%
 Dry laboratory space: 10 4.05%
 Warehousing/storage space: 55 22.27%
 Office space: 116 46.96%
 Manufacturing/assembly space: 33 13.36%
 Arts & crafts studio space: 28 11.34%
 Commercial kitchen (to make food products): 17 6.88%
 Shared CFO, Marketing manager, etc.: 64 25.91%
 Access to equity capital: 83 33.6%
 Access to debt capital: 47 19.03%
 Business mentor/coach: 100 40.49%
 High-speed Internet access: 100 40.49%
 Networking opportunities: 149 60.32%
 Flexible leases: 80 32.39%
 Shared services (e.g., conference room, receptionist): 89 36.03%
 Short-term leases: 52 21.05%
 Bookkeeping/accounting services: 76 30.77%
 Training: 51 20.65%
 SBIR/STTR funding proposal assistance: 33 13.36%
 Business counseling: 95 38.46%
 Assistance selling to local/state/Federal government: 55 22.27%
 Import/export assistance: 26 10.53%
 If other, please specify: 22 8%
 Total Responded to this question: 247 57.44%
 Total who skipped this question: 183 42.56%
 Total: 430 100%

11. Please indicate your level of interest in a St. Petersburg area business incubator:

Responses Percent

I would consider becoming a tenant in the Incubator: 63 20.72%
 I likely would use services at the Incubator, but not locate my business there: 60 19.74%
 I might use services at the Incubator, but not locate my business there: 94 30.92%
 I do not anticipate using the Incubator for my company: 52 17.11%
 I would consider locating in the Incubator as an anchor tenant (don't need the business services provided in an incubator): 4 1.32%
 I likely would refer others to the Incubator: 121 39.8%
 I am a service provider who might want to provide services to incubator tenants and clients: 108 35.53%
 If other, please specify: 14 4%
 Total Responded to this question: 304 70.7%
 Total who skipped this question: 126 29.3%
 Total: 430 100%

12. If you anticipate using the space or services of a St. Petersburg area business incubator, what general location(s) would be acceptable to your business? Please mark all that would be acceptable.

Responses Percent

Downtown St. Petersburg: 153 57.74%
 USF-SP campus area: 99 37.36%
 I-275/Gandy Blvd area: 50 18.87%
 I-275/Roosevelt Blvd area: 64 24.15%

I-275/I-375/I-175 area: 50 18.87%
 No Preference: 53 20%
 If other, please specify: 19 7%
 Total Responded to this question: 265 61.63%
 Total who skipped this question: 165 38.37%
 Total: 430 100%

13. Which of the following business organizations have you sought help from, and how helpful were they?

	Very Helpful	Helpful	Not Very Helpful	Not Used	Not Aware Of	Total
Small Business Development Center (SBDC):	26(12.15%)	35(16.36%)	20(9.35%)	99(46.26%)	34(15.89%)	214
Chamber of Commerce:	15(6.94%)	44(20.37%)	38(17.59%)	109(50.46%)	10(4.63%)	216
Tampa Bay Innovation Center:	17(8.33%)	23(11.27%)	9(4.41%)	115(56.37%)	40(19.61%)	204
St. Petersburg College:	13(6.5%)	24(12%)	10(5%)	139(69.5%)	14(7%)	200
Hillsborough Community College:	1(0.52%)	8(4.19%)	6(3.14%)	161(84.29%)	15(7.85%)	191
Eckerd College:	8(4.15%)	14(7.25%)	5(2.59%)	149(77.2%)	17(8.81%)	193
University of South Florida:	14(6.97%)	37(18.41%)	10(4.98%)	129(64.18%)	11(5.47%)	201
City/County government:	17(8.29%)	44(21.46%)	25(12.2%)	109(53.17%)	10(4.88%)	205
SCORE:	15(7.61%)	24(12.18%)	15(7.61%)	112(56.85%)	31(15.74%)	197
Other:	13(12.38%)	6(5.71%)	4(3.81%)	62(59.05%)	20(19.05%)	105
Total Responded to this question: 260 60.47%						
Total who skipped this question: 170 39.53%						
Total: 430 100%						

14. If you answered "Other" to the previous question, please specify the organization (s) here:

Responses Percent

Responses: 22 100%
 Total Responded to this question: 22 5.12%
 Total who skipped this question: 408 94.88%
 Total: 430 100%

15. Which of these private business service providers have you sought help from, and how helpful were they?

	Very Helpful	Helpful	Not Very Helpful	Not Used	Not Aware Of	Total
Attorney:	82(33.33%)	95(38.62%)	15(6.1%)	52(21.14%)	2(0.81%)	246
Accountant:	105(41.34%)	80(31.5%)	15(5.91%)	52(20.47%)	2(0.79%)	254
Banker:	43(18.14%)	81(34.18%)	43(18.14%)	68(28.69%)	2(0.84%)	237
Equity Investor (angel, venture capitalist):	22(11.4%)	20(10.36%)	9(4.66%)	131(67.88%)	11(5.7%)	193
Other (please specify below):	9(11.39%)	7(8.86%)	2(2.53%)	55(69.62%)	6(7.59%)	79
Total Responded to this question: 276 64.19%						
Total who skipped this question: 154 35.81%						
Total: 430 100%						

16. If you answered "Other" to the previous question, please specify the organization (s) here:

Responses Percent

Responses: 15 100%
 Total Responded to this question: 15 3.49%
 Total who skipped this question: 415 96.51%
 Total: 430 100%

17. Are there any other comments or suggestions that you would like to make to help us better understand your opinion on creating a small business incubator in the St. Petersburg area?

Responses Percent

Responses: 77 100%
 Total Responded to this question: 77 17.91%
 Total who skipped this question: 353 82.09%
 Total: 430 100%

18. Please provide the following so that we can follow up with you if necessary.

Responses Percent

Name: 215 98.62%
 Company (if any): 186 85.32%
 Address: 188 86.24%
 City/Zip Code: 199 91.28%
 Email Address: 208 95.41%
 Total Responded to this question: 218 50.7%
 Total who skipped this question: 212 49.3%
 Total: 430 100%

Appendix B. Market Survey Summary, Potential Tenants Only (n=66)

Survey: St. Petersburg Business Incubator Survey

Survey Status Respondent Statistics Points Summary

Deploy Date: 07/19/2013

Total Responses: 430

1. Are you already in business?

Responses Percent

Yes, I already have an existing firm: 50 75.76%

No, I'm starting up: 9 13.64%

No, I am only thinking about starting a new business: 6 9.09%

If other, please specify: 2 3%

Total Responded to this question: 66 100%

Total who skipped this question: 0 0%

Total: 66 100%

2. If you decide to form a new business, when might you start it?

Responses Percent

In the next 18 months: 10 83.33%

Uncertain at this time: 2 16.67%

Total Responded to this question: 12 18.18%

Total who skipped this question: 54 81.82%

Total: 66 100%

3. If you have an existing business, how many employees do you have?

Responses Percent

none: 22 35.48%

1-4: 33 53.23%

5-9: 3 4.84%

10 or more: 4 6.45%

Total Responded to this question: 62 93.94%

Total who skipped this question: 4 6.06%

Total: 66 100%

4. If you have a company or are thinking of starting one, please briefly describe what your business does or will do:

Responses Percent

My company provides: 66 100%

for customers who need: 60 90.91%

Total Responded to this question: 66 100%

Total who skipped this question: 0 0%

Total: 66 100%

5. If you have or are thinking of starting a small business, in what areas would you like more help? Please mark all that apply.

Responses Percent

Marketing / Market Analysis: 40 61.54%

Converting R&D into products: 12 18.46%

Personnel Management: 10 15.38%

Accounting: 22 33.85%

Financial Analysis: 17 26.15%

Intellectual Property Protection: 21 32.31%

Legal Issues: 20 30.77%

Business Planning: 33 50.77%

Product Development: 17 26.15%

Taxes, credits, planning: 26 40%

Business Registration: 4 6.15%

Manufacturing Process: 7 10.77%

Debt Financing: 12 18.46%

Securing Equity Capital: 25 38.46%

Import / Export: 5 7.69%

Selling to the Government: 16 24.62%

Operating structure (partnership, corporation, LLC, etc): 9 13.85%

Becoming a supplier to other existing/emerging industry in the region: 16 24.62%

If other, please specify: 12 18%

Total Responded to this question: 65 98.48%

Total who skipped this question: 1 1.52%

Total: 66 100%

6. One area of emphasis in this incubator might be the marine science industry. If you have or are in the process of starting a business (or have an idea for a business start-up) that is related to marine science, please mark any of the following categories that describe the focus of your existing or planned business.

Responses Percent

Marine biology: 2 9.52%

Marine chemistry: 2 9.52%

Marine geology: 0 0%

Marine physics: 0 0%

Marine engineering: 2 9.52%

Services to marine industries: 10 47.62%

Products for marine industries: 5 23.81%

Software as a Service (SaaS): 3 14.29%

If other, please specify: 7 33%

Total Responded to this question: 21 31.82%

Total who skipped this question: 45 68.18%

Total: 66 100%

7. Another area that might be emphasized in a St. Petersburg area incubator would be health and environmental businesses. If your existing or planned business is in this industry, please indicate its purpose or focus (mark all that apply)

Responses Percent

Medical services: 12 34.29%

Medical devices: 8 22.86%
 Nutrition: 5 14.29%
 Pediatrics: 1 2.86%
 Services to hospitals: 10 28.57%
 Services to health care professionals: 12 34.29%
 Environmental consulting: 5 14.29%
 Air or water quality: 8 22.86%
 Environmental monitoring: 4 11.43%
 Environmental chemistry: 4 11.43%
 Training & Education: 9 25.71%
 R&D, technology development: 12 34.29%
 Software as a Service (SaaS): 5 14.29%
 If other, please specify: 8 22%
 Total Responded to this question: 35 53.03%
 Total who skipped this question: 31 46.97%
 Total: 66 100%

8. In general, do you think a business incubator is a good idea for the St. Petersburg area?

Responses Percent

Yes: 65 98.48%
 No: 1 1.52%
 Total Responded to this question: 66 100%
 Total who skipped this question: 0 0%
 Total: 66 100%

9. Remembering this business Incubator would serve existing as well as start-up small businesses, is the incubator something that you might use?

Responses Percent

Yes: 62 93.94%
 No: 4 6.06%
 Total Responded to this question: 66 100%
 Total who skipped this question: 0 0%
 Total: 66 100%

10. If you might use space or services of a St. Petersburg area business incubator, please indicate the features that would be useful to your business (please mark all that apply)

Responses Percent

Wet laboratory space: 8 12.31%
 Dry laboratory space: 5 7.69%
 Warehousing/storage space: 21 32.31%
 Office space: 52 80%
 Manufacturing/assembly space: 12 18.46%
 Arts & crafts studio space: 11 16.92%
 Commercial kitchen (to make food products): 8 12.31%
 Shared CFO, Marketing manager, etc.: 23 35.38%
 Access to equity capital: 30 46.15%
 Access to debt capital: 20 30.77%
 Business mentor/coach: 34 52.31%
 High-speed Internet access: 43 66.15%
 Networking opportunities: 46 70.77%
 Flexible leases: 43 66.15%
 Shared services (e.g., conference room, receptionist): 38 58.46%
 Short-term leases: 21 32.31%
 Bookkeeping/accounting services: 34 52.31%
 Training: 15 23.08%
 SBIR/STTR funding proposal assistance: 18 27.69%
 Business counseling: 36 55.38%
 Assistance selling to local/state/Federal government: 24 36.92%
 Import/export assistance: 9 13.85%
 If other, please specify: 3 4%
 Total Responded to this question: 65 98.48%
 Total who skipped this question: 1 1.52%
 Total: 66 100%

11. Please indicate your level of interest in a St. Petersburg area business incubator:

Responses Percent

I would consider becoming a tenant in the Incubator: 63 95.45%
 I likely would use services at the Incubator, but not locate my business there: 16 24.24%
 I might use services at the Incubator, but not locate my business there: 6 9.09%
 I do not anticipate using the Incubator for my company: 0 0%
 I would consider locating in the Incubator as an anchor tenant (don't need the business services provided in an incubator): 4 6.06%
 I likely would refer others to the Incubator: 26 39.39%
 I am a service provider who might want to provide services to incubator tenants and clients: 21 31.82%
 If other, please specify: 2 3%
 Total Responded to this question: 66 100%
 Total who skipped this question: 0 0%
 Total: 66 100%

12. If you anticipate using the space or services of a St. Petersburg area business incubator, what general location(s) would be acceptable to your business? Please mark all that would be acceptable.

Responses Percent

Downtown St. Petersburg: 45 68.18%
 USF-SP campus area: 33 50%
 I-275/Gandy Blvd area: 16 24.24%
 I-275/Roosevelt Blvd area: 14 21.21%
 I-275/I-375/I-175 area: 17 25.76%
 No Preference: 10 15.15%
 If other, please specify: 9 13%
 Total Responded to this question: 66 100%
 Total who skipped this question: 0 0%
 Total: 66 100%

13. Which of the following business organizations have you sought help from, and how helpful were they?

	Very Helpful	Helpful	Not Very Helpful	Not Used	Not Aware Of	Total
Small Business Development Center (SBDC):	8(15.09%)	8(15.09%)	6(11.32%)	20(37.74%)	11(20.75%)	53
Chamber of Commerce:	4(8%)	8(16%)	5(10%)	30(60%)	3(6%)	50
Tampa Bay Innovation Center:	8(15.38%)	5(9.62%)	3(5.77%)	21(40.38%)	15(28.85%)	52
St. Petersburg College:	2(4.26%)	4(8.51%)	4(8.51%)	32(68.09%)	5(10.64%)	47
Hillsborough Community College:	0(0%)	1(2.22%)	1(2.22%)	37(82.22%)	6(13.33%)	45
Eckerd College:	0(0%)	4(8.51%)	2(4.26%)	34(72.34%)	7(14.89%)	47
University of South Florida:	3(6%)	8(16%)	3(6%)	32(64%)	4(8%)	50
City/County government:	4(8.51%)	7(14.89%)	4(8.51%)	27(57.45%)	5(10.64%)	47
SCORE:	4(8.33%)	7(14.58%)	4(8.33%)	25(52.08%)	8(16.67%)	48
Other:	3(11.54%)	2(7.69%)	0(0%)	14(53.85%)	7(26.92%)	26
Total Responded to this question: 61 92.42%						
Total who skipped this question: 5 7.58%						
Total: 66 100%						

14. If you answered "Other" to the previous question, please specify the organization (s) here:

Responses Percent

Responses: 5 100%

Total Responded to this question: 5 7.58%

Total who skipped this question: 61 92.42%

Total: 66 100%

15. Which of these private business service providers have you sought help from, and how helpful were they?

	Very Helpful	Helpful	Not Very Helpful	Not Used	Not Aware Of	Total
Attorney:	19(35.19%)	14(25.93%)	5(9.26%)	14(25.93%)	2(3.7%)	54
Accountant:	23(41.07%)	14(25%)	6(10.71%)	11(19.64%)	2(3.57%)	56
Banker:	11(20.75%)	12(22.64%)	14(26.42%)	14(26.42%)	2(3.77%)	53
Equity Investor (angel, venture capitalist):	4(8.89%)	6(13.33%)	5(11.11%)	23(51.11%)	7(15.56%)	45
Other (please specify below):	4(16.67%)	3(12.5%)	1(4.17%)	13(54.17%)	3(12.5%)	24
Total Responded to this question: 61 92.42%						
Total who skipped this question: 5 7.58%						
Total: 66 100%						

16. If you answered "Other" to the previous question, please specify the organization (s) here:

Responses Percent

Responses: 7 100%

Total Responded to this question: 7 10.61%

Total who skipped this question: 59 89.39%

Total: 66 100%

17. Are there any other comments or suggestions that you would like to make to help us better understand your opinion on creating a small business incubator in the St. Petersburg area?

Responses Percent

Responses: 26 100%

Total Responded to this question: 26 39.39%

Total who skipped this question: 40 60.61%

Total: 66 100%

18. Please provide the following so that we can follow up with you if necessary.

Responses Percent

Name: 57 100%

Company (if any): 49 85.96%

Address: 52 91.23%

City/Zip Code: 52 91.23%

Email Address: 55 96.49%

Total Responded to this question: 57 86.36%

Total who skipped this question: 9 13.64%

Total: 66 100%

Appendix C. Cash Flow Projections

Scenario #1a

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (70,530)	\$ (115,026)	\$ (131,761)	\$ (118,949)	
Cash In						
Rental: office	\$ 320,625	\$ 333,450	\$ 346,788	\$ 360,660	\$ 375,086	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 24,000	24,960	25,958	26,997	28,077	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$12/sf gross
Services	26,250	32,156	38,588	45,581	47,861	\$1.75/sf occupied incub space, 5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(137,850)	(107,523)	(74,549)	(38,766)	(40,316)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(18,544)	(19,528)	(20,567)	(21,662)	(22,551)	5% of rent & svcs
Net cash in	\$ 220,721	\$ 270,067	\$ 323,098	\$ 380,034	\$ 395,740	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	125,000	140,438	157,424	176,100	188,427	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	6,250	6,625	7,023	7,444	7,890	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	Same rate as Star Center
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 291,251	\$ 314,564	\$ 339,832	\$ 367,222	\$ 388,718	
Cash @ End	\$ (70,530)	\$ (115,026)	\$ (131,761)	\$ (118,949)	\$ (111,927)	
Change in Cash	\$ (70,530)	\$ (44,497)	\$ (16,735)	\$ 12,812	\$ 7,022	breakeven possible @ 86% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #1b

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (83,029)	\$ (140,024)	\$ (169,258)	\$ (168,945)	
Cash In						
Rental: office	\$ 320,625	\$ 333,450	\$ 346,788	\$ 360,660	\$ 375,086	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 24,000	24,960	25,958	26,997	28,077	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$12/sf gross
Services	26,250	32,156	38,588	45,581	47,861	\$1.75/sf occupied incub space, 5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(137,850)	(107,523)	(74,549)	(38,766)	(40,316)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(18,544)	(19,528)	(20,567)	(21,662)	(22,551)	5% of rent & svcs
Net cash in	\$ 220,721	\$ 270,067	\$ 323,098	\$ 380,034	\$ 395,740	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	125,000	140,438	157,424	176,100	188,427	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	6,250	6,625	7,023	7,444	7,890	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$0.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 303,750	\$ 327,063	\$ 352,331	\$ 379,721	\$ 401,217	
Cash @ End	\$ (83,029)	\$ (140,024)	\$ (169,258)	\$ (168,945)	\$ (174,422)	
Change in Cash	\$ (83,029)	\$ (56,996)	\$ (29,234)	\$ 313	\$ (5,477)	breakeven possible @ ~90% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #1c

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (5,224)	\$ 41,870	\$ 144,667	\$ 306,669	
Cash In						
Rental: office	\$ 570,000	\$ 592,800	\$ 616,512	\$ 641,172	\$ 666,819	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 48,000	49,920	51,917	53,993	56,153	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$12/sf gross
Services	47,250	57,881	69,458	82,047	86,149	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(247,200)	(192,816)	(133,686)	(69,517)	(72,297)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(33,263)	(35,030)	(36,894)	(38,861)	(40,456)	5% of rent & svcs
Net cash in	\$ 391,028	\$ 479,307	\$ 574,186	\$ 676,059	\$ 703,953	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	225,000	252,788	283,363	316,980	339,168	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	11,250	11,925	12,641	13,399	14,203	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	Same rate as Star Center
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 396,251	\$ 432,214	\$ 471,389	\$ 514,057	\$ 545,772	
Cash @ End	\$ (5,224)	\$ 41,870	\$ 144,667	\$ 306,669	\$ 464,850	
Change in Cash	\$ (5,224)	\$ 47,094	\$ 102,797	\$ 162,002	\$ 158,181	breakeven possible @ 61% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #1d

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (130,223)	\$ (208,128)	\$ (230,330)	\$ (193,327)	
Cash In						
Rental: office	\$ 570,000	\$ 592,800	\$ 616,512	\$ 641,172	\$ 666,819	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 48,000	49,920	51,917	53,993	56,153	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$12/sf gross
Services	47,250	57,881	69,458	82,047	86,149	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(247,200)	(192,816)	(133,686)	(69,517)	(72,297)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(33,263)	(35,030)	(36,894)	(38,861)	(40,456)	5% of rent & svcs
Net cash in	\$ 391,028	\$ 479,307	\$ 574,186	\$ 676,059	\$ 703,953	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	225,000	252,788	283,363	316,980	339,168	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	11,250	11,925	12,641	13,399	14,203	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$5/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 521,250	\$ 557,213	\$ 596,388	\$ 639,056	\$ 670,771	
Cash @ End	\$ (130,223)	\$ (208,128)	\$ (230,330)	\$ (193,327)	\$ (160,145)	
Change in Cash	\$ (130,223)	\$ (77,905)	\$ (22,202)	\$ 37,003	\$ 33,182	breakeven possible @ 84% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #2a

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (131,316)	\$ (228,234)	\$ (288,507)	\$ (309,813)	
Cash In						
Rental: office	\$ 387,600	\$ 403,104	\$ 419,228	\$ 435,997	\$ 453,437	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 46,080	47,923	49,840	51,834	53,907	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$12/sf gross
Services	33,600	41,160	49,392	58,344	61,262	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(173,472)	(135,308)	(93,814)	(48,783)	(50,734)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(23,364)	(24,609)	(25,923)	(27,309)	(28,430)	5% of rent & svcs
Net cash in	\$ 276,684	\$ 338,822	\$ 405,603	\$ 477,307	\$ 497,026	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	160,000	179,760	201,502	225,408	241,186	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	8,000	8,480	8,989	9,528	10,100	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 408,000	\$ 435,740	\$ 465,876	\$ 498,613	\$ 523,686	
Cash @ End	\$ (131,316)	\$ (228,234)	\$ (288,507)	\$ (309,813)	\$ (336,473)	
Change in Cash	\$ (131,316)	\$ (96,918)	\$ (60,273)	\$ (21,306)	\$ (26,660)	breakeven possible @ 96% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #2b

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ 24,284	\$ 82,660	\$ 177,130	\$ 309,747	
Cash In						
Rental: office	\$ 387,600	\$ 403,104	\$ 419,228	\$ 435,997	\$ 453,437	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 46,080	47,923	49,840	51,834	53,907	80% leasable @\$12/sf gross
Rental: anchor	\$ 198,000	205,920	214,157	222,723	231,632	100% leasable @\$11/sf gross
Services	33,600	41,160	49,392	58,344	61,262	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(173,472)	(135,308)	(93,814)	(48,783)	(50,734)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(33,264)	(34,905)	(36,631)	(38,445)	(40,012)	5% of rent & svcs
Net cash in	\$ 464,784	\$ 534,446	\$ 609,052	\$ 688,894	\$ 717,076	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	268,000	295,320	325,152	357,713	382,752	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	12,500	13,250	14,045	14,888	15,781	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment		\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 440,500	\$ 476,070	\$ 514,582	\$ 556,277	\$ 590,933	
Cash @ End	\$ 24,284	\$ 82,660	\$ 177,130	\$ 309,747	\$ 435,890	
Change in Cash	\$ 24,284	\$ 58,376	\$ 94,471	\$ 132,617	\$ 126,143	breakeven possible @ 54% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #2b.1

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (20,955)	\$ (7,819)	\$ 41,412	\$ 128,789	
Cash In						
Rental: office	\$ 387,600	\$ 403,104	\$ 419,228	\$ 435,997	\$ 453,437	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 46,080	47,923	49,840	51,834	53,907	80% leasable @\$12/sf gross
Rental: anchor	\$ 198,000	205,920	214,157	222,723	231,632	100% leasable @\$11/sf gross
Services	33,600	41,160	49,392	58,344	61,262	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(173,472)	(135,308)	(93,814)	(48,783)	(50,734)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(33,264)	(34,905)	(36,631)	(38,445)	(40,012)	5% of rent & svcs
Net cash in	\$ 464,784	\$ 534,446	\$ 609,052	\$ 688,894	\$ 717,076	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	268,000	295,320	325,152	357,713	382,752	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	12,500	13,250	14,045	14,888	15,781	\$.25/sf
Debt service	\$ 45,239	\$ 45,239	\$ 45,239	\$ 45,239	\$ 45,239	n/a
Lease payment		\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 485,739	\$ 521,309	\$ 559,821	\$ 601,517	\$ 636,172	
Cash @ End	\$ (20,955)	\$ (7,819)	\$ 41,412	\$ 128,789	\$ 209,693	
Change in Cash	\$ (20,955)	\$ 13,136	\$ 49,231	\$ 87,377	\$ 80,904	breakeven possible @ 67% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #2c

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (118,691)	\$ (179,593)	\$ (178,985)	\$ (113,021)	
Cash In						
Rental: office	\$ 605,625	\$ 629,850	\$ 655,044	\$ 681,246	\$ 708,496	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 72,000	74,880	77,875	80,990	84,230	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$12/sf gross
Services	52,500	64,313	77,175	91,163	95,721	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(271,050)	(211,419)	(146,584)	(76,224)	(79,273)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(36,506)	(38,452)	(40,505)	(42,670)	(44,422)	5% of rent & svcs
Net cash in	\$ 428,809	\$ 525,723	\$ 629,885	\$ 741,729	\$ 772,336	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	250,000	280,875	314,848	352,200	376,854	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	12,500	13,250	14,045	14,888	15,781	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 547,500	\$ 586,625	\$ 629,278	\$ 675,765	\$ 710,034	
Cash @ End	\$ (118,691)	\$ (179,593)	\$ (178,985)	\$ (113,021)	\$ (50,719)	
Change in Cash	\$ (118,691)	\$ (60,902)	\$ 608	\$ 65,964	\$ 62,302	breakeven possible @ 80% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #2c.1

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (217,774)	\$ (377,758)	\$ (476,232)	\$ (509,350)	
Cash In						
Rental: office	\$ 605,625	\$ 629,850	\$ 655,044	\$ 681,246	\$ 708,496	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 72,000	74,880	77,875	80,990	84,230	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$12/sf gross
Services	52,500	64,313	77,175	91,163	95,721	\$1.75/sf occupied incub space, 5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(271,050)	(211,419)	(146,584)	(76,224)	(79,273)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(36,506)	(38,452)	(40,505)	(42,670)	(44,422)	5% of rent & svcs
Net cash in	\$ 428,809	\$ 525,723	\$ 629,885	\$ 741,729	\$ 772,336	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	250,000	280,875	314,848	352,200	376,854	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	12,500	13,250	14,045	14,888	15,781	\$.25/sf
Debt service	\$ 99,082	\$ 99,082	\$ 99,082	\$ 99,082	\$ 99,082	n/a
Lease payment	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 646,582	\$ 685,707	\$ 728,360	\$ 774,847	\$ 809,117	
Cash @ End	\$ (217,774)	\$ (377,758)	\$ (476,232)	\$ (509,350)	\$ (546,130)	
Change in Cash	\$ (217,774)	\$ (159,984)	\$ (98,475)	\$ (33,118)	\$ (36,780)	breakeven possible @ 95% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #2d

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ 6,309	\$ 70,407	\$ 196,015	\$ 386,979	
Cash In						
Rental: office	\$ 605,625	\$ 629,850	\$ 655,044	\$ 681,246	\$ 708,496	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 72,000	74,880	77,875	80,990	84,230	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	52,500	64,313	77,175	91,163	95,721	\$1.75/sf occupied incub space, 5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(271,050)	(211,419)	(146,584)	(76,224)	(79,273)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(36,506)	(38,452)	(40,505)	(42,670)	(44,422)	5% of rent & svcs
Net cash in	\$ 428,809	\$ 525,723	\$ 629,885	\$ 741,729	\$ 772,336	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	250,000	280,875	314,848	352,200	376,854	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	12,500	13,250	14,045	14,888	15,781	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment		\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 422,500	\$ 461,625	\$ 504,278	\$ 550,765	\$ 585,034	
Cash @ End	\$ 6,309	\$ 70,407	\$ 196,015	\$ 386,979	\$ 574,281	
Change in Cash	\$ 6,309	\$ 64,098	\$ 125,608	\$ 190,964	\$ 187,302	breakeven possible @ 59% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #2d.1

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (41,958)	\$ (26,126)	\$ 51,215	\$ 193,912	
Cash In						
Rental: office	\$ 605,625	\$ 629,850	\$ 655,044	\$ 681,246	\$ 708,496	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 72,000	74,880	77,875	80,990	84,230	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	52,500	64,313	77,175	91,163	95,721	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(271,050)	(211,419)	(146,584)	(76,224)	(79,273)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(36,506)	(38,452)	(40,505)	(42,670)	(44,422)	5% of rent & svcs
Net cash in	\$ 428,809	\$ 525,723	\$ 629,885	\$ 741,729	\$ 772,336	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	250,000	280,875	314,848	352,200	376,854	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	12,500	13,250	14,045	14,888	15,781	\$.25/sf
Debt service	\$ 48,267	\$ 48,267	\$ 48,267	\$ 48,267	\$ 48,267	n/a
Lease payment		\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 470,767	\$ 509,892	\$ 552,544	\$ 599,031	\$ 633,301	
Cash @ End	\$ (41,958)	\$ (26,126)	\$ 51,215	\$ 193,912	\$ 332,948	
Change in Cash	\$ (41,958)	\$ 15,832	\$ 77,341	\$ 142,698	\$ 139,035	breakeven possible @ 68% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #3a

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (382,604)	\$ (713,712)	\$ (989,297)	\$ (1,205,088)	
Cash In						
Rental: office	\$ 391,875	\$ 407,550	\$ 423,852	\$ 440,806	\$ 458,438	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 24,000	24,960	25,958	26,997	28,077	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	31,500	38,588	46,305	54,698	57,433	\$1.75/sf occupied incub space, 5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(166,350)	(129,753)	(89,962)	(46,780)	(48,651)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(22,369)	(23,555)	(24,806)	(26,125)	(27,197)	5% of rent & svcs
Net cash in	\$ 264,896	\$ 324,342	\$ 388,227	\$ 456,819	\$ 475,683	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM						included in lease rate
Insurance	7,500	7,950	8,427	8,933	9,469	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment	\$ 480,000	\$ 480,000	\$ 480,000	\$ 480,000	\$ 480,000	\$16/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 647,500	\$ 655,450	\$ 663,812	\$ 672,610	\$ 681,868	
Cash @ End	\$ (382,604)	\$ (713,712)	\$ (989,297)	\$ (1,205,088)	\$ (1,411,272)	
Change in Cash	\$ (382,604)	\$ (331,108)	\$ (275,585)	\$ (215,791)	\$ (206,185)	breakeven impossible @ any% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #3b

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (57,719)	\$ (83,639)	\$ (75,676)	\$ (31,679)	
Cash In						
Rental: office	\$ 363,375	\$ 377,910	\$ 393,026	\$ 408,747	\$ 425,097	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 43,200	44,928	46,725	48,594	50,538	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	31,500	38,588	46,305	54,698	57,433	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(162,630)	(126,851)	(87,950)	(45,734)	(47,564)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(21,904)	(23,071)	(24,303)	(25,602)	(26,653)	5% of rent & svcs
Net cash in	\$ 259,781	\$ 318,055	\$ 380,683	\$ 447,927	\$ 466,436	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	150,000	168,525	188,909	211,320	226,112	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	7,500	7,950	8,427	8,933	9,469	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment		\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 317,500	\$ 343,975	\$ 372,721	\$ 403,930	\$ 427,980	
Cash @ End	\$ (57,719)	\$ (83,639)	\$ (75,676)	\$ (31,679)	\$ 6,776	
Change in Cash	\$ (57,719)	\$ (25,920)	\$ 7,962	\$ 43,997	\$ 38,455	breakeven possible @ 78% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #3b.1

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (74,460)	\$ (117,120)	\$ (125,899)	\$ (98,642)	
Cash In						
Rental: office	\$ 363,375	\$ 377,910	\$ 393,026	\$ 408,747	\$ 425,097	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 43,200	44,928	46,725	48,594	50,538	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	31,500	38,588	46,305	54,698	57,433	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(162,630)	(126,851)	(87,950)	(45,734)	(47,564)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(21,904)	(23,071)	(24,303)	(25,602)	(26,653)	5% of rent & svcs
Net cash in	\$ 259,781	\$ 318,055	\$ 380,683	\$ 447,927	\$ 466,436	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	150,000	168,525	188,909	211,320	226,112	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	7,500	7,950	8,427	8,933	9,469	\$.25/sf
Debt service	\$ 16,741	\$ 16,741	\$ 16,741	\$ 16,741	\$ 16,741	n/a
Lease payment		\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 334,241	\$ 360,716	\$ 389,461	\$ 420,670	\$ 444,721	
Cash @ End	\$ (74,460)	\$ (117,120)	\$ (125,899)	\$ (98,642)	\$ (76,928)	
Change in Cash	\$ (74,460)	\$ (42,661)	\$ (8,778)	\$ 27,256	\$ 21,714	breakeven possible @ 82% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #4a

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (472,604)	\$ (893,712)	\$ (1,259,297)	\$ (1,565,088)	
Cash In						
Rental: office	\$ 391,875	\$ 407,550	\$ 423,852	\$ 440,806	\$ 458,438	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 24,000	24,960	25,958	26,997	28,077	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	31,500	38,588	46,305	54,698	57,433	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(166,350)	(129,753)	(89,962)	(46,780)	(48,651)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(22,369)	(23,555)	(24,806)	(26,125)	(27,197)	5% of rent & svcs
Net cash in	\$ 264,896	\$ 324,342	\$ 388,227	\$ 456,819	\$ 475,683	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM						included in lease rate
Insurance	7,500	7,950	8,427	8,933	9,469	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment	\$ 570,000	\$ 570,000	\$ 570,000	\$ 570,000	\$ 570,000	\$19/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 737,500	\$ 745,450	\$ 753,812	\$ 762,610	\$ 771,868	
Cash @ End	\$ (472,604)	\$ (893,712)	\$ (1,259,297)	\$ (1,565,088)	\$ (1,861,272)	
Change in Cash	\$ (472,604)	\$ (421,108)	\$ (365,585)	\$ (305,791)	\$ (296,185)	breakeven impossible @ any% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #5a

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (139,290)	\$ (267,558)	\$ (383,925)	\$ (487,456)	
Cash In						
Rental: office	\$ 99,750	\$ 103,740	\$ 107,890	\$ 112,205	\$ 116,693	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ -	-	-	-	-	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	7,350	9,004	10,805	12,763	13,401	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(39,900)	(31,122)	(21,578)	(11,221)	(11,669)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(5,355)	(5,637)	(5,935)	(6,248)	(6,505)	5% of rent & svcs
Net cash in	\$ 68,085	\$ 82,537	\$ 98,061	\$ 114,723	\$ 119,505	
Cash Out						
Salaries	\$ 40,625	\$ 42,250	\$ 43,940	\$ 45,698	\$ 47,526	NO receipt, 0.5 FTE \$65k site mgr+25% fringe
Utilities/CAM						included in lease rate
Insurance	1,750	1,855	1,966	2,084	2,209	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment	\$ 140,000	\$ 140,000	\$ 140,000	\$ 140,000	\$ 140,000	\$20/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	15,000	16,200	17,496	18,896	20,407	8% inflation
Net cash out	\$ 207,375	\$ 210,805	\$ 214,427	\$ 218,254	\$ 222,297	
Cash @ End	\$ (139,290)	\$ (267,558)	\$ (383,925)	\$ (487,456)	\$ (590,248)	
Change in Cash	\$ (139,290)	\$ (128,268)	\$ (116,366)	\$ (103,531)	\$ (102,792)	breakeven impossible @ any% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #5b

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (19,013)	\$ (26,089)	\$ (32,383)	\$ (37,914)	
Cash In						
Rental: office	\$ 99,750	\$ 103,740	\$ 107,890	\$ 112,205	\$ 116,693	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ -	-	-	-	-	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	9,800	11,576	12,155	12,763	13,401	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(19,950)	(10,374)	(10,789)	(11,221)	(11,669)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(5,478)	(5,766)	(6,002)	(6,248)	(6,505)	5% of rent & svcs
Net cash in	\$ 90,363	\$ 105,728	\$ 110,133	\$ 114,723	\$ 119,505	
Cash Out						
Salaries	\$ 40,625	\$ 42,250	\$ 43,940	\$ 45,698	\$ 47,526	NO receipt, 0.5 FTE \$65k site mgr+25% fringe
Utilities/CAM						included in lease rate
Insurance	1,750	1,855	1,966	2,084	2,209	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment	\$ 42,000	\$ 42,000	\$ 42,000	\$ 42,000	\$ 42,000	\$6/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	15,000	16,200	17,496	18,896	20,407	8% inflation
Net cash out	\$ 109,375	\$ 112,805	\$ 116,427	\$ 120,254	\$ 124,297	
Cash @ End	\$ (19,013)	\$ (26,089)	\$ (32,383)	\$ (37,914)	\$ (42,707)	
Change in Cash	\$ (19,013)	\$ (7,077)	\$ (6,294)	\$ (5,531)	\$ (4,792)	breakeven possible @ 94% occupancy
% incub occupied	80%	90%	90%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #5c

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (68,013)	\$ (124,089)	\$ (179,383)	\$ (233,914)	
Cash In						
Rental: office	\$ 99,750	\$ 103,740	\$ 107,890	\$ 112,205	\$ 116,693	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ -	-	-	-	-	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	9,800	11,576	12,155	12,763	13,401	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(19,950)	(10,374)	(10,789)	(11,221)	(11,669)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(5,478)	(5,766)	(6,002)	(6,248)	(6,505)	5% of rent & svcs
Net cash in	\$ 90,363	\$ 105,728	\$ 110,133	\$ 114,723	\$ 119,505	
Cash Out						
Salaries	\$ 40,625	\$ 42,250	\$ 43,940	\$ 45,698	\$ 47,526	NO receipt, 0.5 FTE \$65k site mgr+25% fringe
Utilities/CAM						included in lease rate
Insurance	1,750	1,855	1,966	2,084	2,209	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment	\$ 91,000	\$ 91,000	\$ 91,000	\$ 91,000	\$ 91,000	\$13/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	15,000	16,200	17,496	18,896	20,407	8% inflation
Net cash out	\$ 158,375	\$ 161,805	\$ 165,427	\$ 169,254	\$ 173,297	
Cash @ End	\$ (68,013)	\$ (124,089)	\$ (179,383)	\$ (233,914)	\$ (287,707)	
Change in Cash	\$ (68,013)	\$ (56,077)	\$ (55,294)	\$ (54,531)	\$ (53,792)	breakeven impossible @ any% occupancy
 % incub occupied	80%	90%	90%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #6a

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (70,529)	\$ (115,024)	\$ (131,758)	\$ (118,945)	
Cash In						
Rental: office	\$ 320,625	\$ 333,450	\$ 346,788	\$ 360,660	\$ 375,086	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 24,000	24,960	25,958	26,997	28,077	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	26,250	32,156	38,588	45,581	53,178	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(137,850)	(107,523)	(74,549)	(38,766)	-	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(18,544)	(19,528)	(20,567)	(21,662)	(22,817)	5% of rent & svcs
Net cash in	\$ 220,721	\$ 270,067	\$ 323,098	\$ 380,034	\$ 441,109	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	125,000	140,438	157,424	176,100	196,619	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	6,250	6,625	7,023	7,444	7,890	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment		\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 291,250	\$ 314,563	\$ 339,831	\$ 367,221	\$ 396,909	
Cash @ End	\$ (70,529)	\$ (115,024)	\$ (131,758)	\$ (118,945)	\$ (74,746)	
Change in Cash	\$ (70,529)	\$ (44,496)	\$ (16,734)	\$ 12,813	\$ 44,199	breakeven possible @ 86% occupancy
% incub occupied	60%	70%	80%	90%	100%	
Rent escalation		4%	4%	4%	4%	

Scenario #6a.1

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (127,386)	\$ (228,739)	\$ (302,330)	\$ (346,375)	
Cash In						
Rental: office	\$ 320,625	\$ 333,450	\$ 346,788	\$ 360,660	\$ 375,086	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 24,000	24,960	25,958	26,997	28,077	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	26,250	32,156	38,588	45,581	53,178	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(137,850)	(107,523)	(74,549)	(38,766)	-	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(18,544)	(19,528)	(20,567)	(21,662)	(22,817)	5% of rent & svcs
Net cash in	\$ 220,721	\$ 270,067	\$ 323,098	\$ 380,034	\$ 441,109	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	125,000	140,438	157,424	176,100	196,619	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	6,250	6,625	7,023	7,444	7,890	\$.25/sf
Debt service	\$ 56,857	\$ 56,857	\$ 56,857	\$ 56,857	\$ 56,857	n/a
Lease payment		\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 348,107	\$ 371,420	\$ 396,689	\$ 424,078	\$ 453,767	
Cash @ End	\$ (127,386)	\$ (228,739)	\$ (302,330)	\$ (346,375)	\$ (359,033)	
Change in Cash	\$ (127,386)	\$ (101,353)	\$ (73,591)	\$ (44,044)	\$ (12,658)	breakeven impossible @ any% occupancy
% incub occupied	60%	70%	80%	90%	100%	
Rent escalation		4%	4%	4%	4%	

Scenario #6b

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (20,590)	\$ 4,786	\$ 79,115	\$ 205,488	
Cash In						
Rental: office	\$ 513,000	\$ 533,520	\$ 554,861	\$ 577,055	\$ 600,137	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 38,400	39,936	41,533	43,195	44,923	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	42,000	51,450	61,740	72,930	76,577	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(220,560)	(172,037)	(119,279)	(62,025)	(64,506)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(29,670)	(31,245)	(32,907)	(34,659)	(36,082)	5% of rent & svcs
Net cash in	\$ 349,410	\$ 428,176	\$ 512,828	\$ 603,720	\$ 628,634	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	200,000	224,700	251,878	281,760	301,483	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	10,000	10,600	11,236	11,910	12,625	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment		\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 370,000	\$ 402,800	\$ 438,499	\$ 477,347	\$ 506,507	
Cash @ End	\$ (20,590)	\$ 4,786	\$ 79,115	\$ 205,488	\$ 327,614	
Change in Cash	\$ (20,590)	\$ 25,376	\$ 74,329	\$ 126,373	\$ 122,126	breakeven possible @ 64% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #6b.1

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (241,135)	\$ (436,303)	\$ (582,519)	\$ (676,690)	
Cash In						
Rental: office	\$ 513,000	\$ 533,520	\$ 554,861	\$ 577,055	\$ 600,137	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 38,400	39,936	41,533	43,195	44,923	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	42,000	51,450	61,740	72,930	76,577	\$1.75/sf occupied incub space, 5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(220,560)	(172,037)	(119,279)	(62,025)	(64,506)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(29,670)	(31,245)	(32,907)	(34,659)	(36,082)	5% of rent & svcs
Net cash in	\$ 349,410	\$ 428,176	\$ 512,828	\$ 603,720	\$ 628,634	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	200,000	224,700	251,878	281,760	301,483	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	10,000	10,600	11,236	11,910	12,625	\$.25/sf
Debt service	\$ 220,545	\$ 220,545	\$ 220,545	\$ 220,545	\$ 220,545	n/a
Lease payment		\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 590,545	\$ 623,345	\$ 659,044	\$ 697,892	\$ 727,052	
Cash @ End	\$ (241,135)	\$ (436,303)	\$ (582,519)	\$ (676,690)	\$ (775,109)	
Change in Cash	\$ (241,135)	\$ (195,169)	\$ (146,215)	\$ (94,172)	\$ (98,418)	breakeven impossible @ any% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #6b.2

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (125,363)	\$ (196,420)	\$ (209,572)	\$ (161,087)	
Cash In						
Rental: office	\$ 576,000	\$ 599,040	\$ 623,002	\$ 647,922	\$ 673,839	80% leasable @\$20/sf gross
Rental: warehouse/etc	\$ 41,600	43,264	44,995	46,794	48,666	80% leasable @\$13/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	42,000	51,450	61,740	72,930	76,577	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(247,040)	(192,691)	(133,599)	(69,472)	(72,250)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(32,980)	(34,688)	(36,487)	(38,382)	(39,954)	5% of rent & svcs
Net cash in	\$ 385,820	\$ 472,927	\$ 566,530	\$ 667,016	\$ 694,462	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	200,000	224,700	251,878	281,760	301,483	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	10,000	10,600	11,236	11,910	12,625	\$.25/sf
Debt service	\$ 141,183	\$ 141,183	\$ 141,183	\$ 141,183	\$ 141,183	n/a
Lease payment		\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 511,183	\$ 543,983	\$ 579,682	\$ 618,530	\$ 647,691	
Cash @ End	\$ (125,363)	\$ (196,420)	\$ (209,572)	\$ (161,087)	\$ (114,316)	
Change in Cash	\$ (125,363)	\$ (71,056)	\$ (13,153)	\$ 48,486	\$ 46,771	breakeven possible @ 82% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #6c

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ 15,260	\$ 90,360	\$ 229,170	\$ 435,696	
Cash In						
Rental: office	\$ 655,500	\$ 681,720	\$ 708,989	\$ 737,348	\$ 766,842	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 38,400	39,936	41,533	43,195	44,923	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	52,500	64,313	77,175	91,163	95,721	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(277,560)	(216,497)	(150,104)	(78,054)	(81,176)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(37,320)	(39,298)	(41,385)	(43,585)	(45,374)	5% of rent & svcs
Net cash in	\$ 437,760	\$ 536,725	\$ 643,088	\$ 757,290	\$ 788,520	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	250,000	280,875	314,848	352,200	376,854	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	12,500	13,250	14,045	14,888	15,781	\$.25/sf
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Lease payment		\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 422,500	\$ 461,625	\$ 504,278	\$ 550,765	\$ 585,034	
Cash @ End	\$ 15,260	\$ 90,360	\$ 229,170	\$ 435,696	\$ 639,181	
Change in Cash	\$ 15,260	\$ 75,100	\$ 138,810	\$ 206,525	\$ 203,486	breakeven possible @ 58% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

Scenario #6c.1

	Year 1	Year 2	Year 3	Year 4	Year 5	
Cash @ Beginning	\$ -	\$ (327,479)	\$ (595,118)	\$ (799,047)	\$ (935,261)	
Cash In						
Rental: office	\$ 655,500	\$ 681,720	\$ 708,989	\$ 737,348	\$ 766,842	75% leasable @\$19/sf gross
Rental: warehouse/etc	\$ 38,400	39,936	41,533	43,195	44,923	80% leasable @\$12/sf gross
Rental: anchor	\$ -	-	-	-	-	100% leasable @\$11/sf gross
Services	52,500	64,313	77,175	91,163	95,721	\$1.75/sf occupied incub space,5% escal
Affiliates	6,240	6,552	6,880	7,224	7,585	\$65/mo, 5% escalation, 8 affiliates
- vacancy factor	(277,560)	(216,497)	(150,104)	(78,054)	(81,176)	Equal % off/lab BUT NOT ANCHORS
- bad debt factor	(37,320)	(39,298)	(41,385)	(43,585)	(45,374)	5% of rent & svcs
Net cash in	\$ 437,760	\$ 536,725	\$ 643,088	\$ 757,290	\$ 788,520	
Cash Out						
Salaries	\$ 125,000	\$ 130,000	\$ 135,200	\$ 140,608	\$ 146,232	\$35k receipt, \$65k site mgr+25% fringe
Utilities/CAM	250,000	280,875	314,848	352,200	376,854	\$3.50/sf gross+\$2.50/sf occupied+7% inflation
Insurance	12,500	13,250	14,045	14,888	15,781	\$.25/sf
Debt service	\$ 342,739	\$ 342,739	\$ 342,739	\$ 342,739	\$ 342,739	n/a
Lease payment		\$ -	\$ -	\$ -	\$ -	\$2.50/yr/sf
R/E taxes		-	-	-	-	Assume waived by city/county
Supplies, phone	10,000	10,500	11,025	11,576	12,155	\$300/mo + 5% inflation
Misc	25,000	27,000	29,160	31,493	34,012	8% inflation
Net cash out	\$ 765,239	\$ 804,364	\$ 847,017	\$ 893,504	\$ 927,774	
Cash @ End	\$ (327,479)	\$ (595,118)	\$ (799,047)	\$ (935,261)	\$ (1,074,515)	
Change in Cash	\$ (327,479)	\$ (267,639)	\$ (203,929)	\$ (136,214)	\$ (139,254)	breakeven impossible @ any% occupancy
% incub occupied	60%	70%	80%	90%	90%	
Rent escalation		4%	4%	4%	4%	

TBIC Incubator – Disaster Nexus Narrative
Pinellas County EDA Grant Control No. 112470

Hurricane Irma illustrated one of the largest problems facing Pinellas County: its economy is greatly influenced by external economic shocks. Hurricane Irma exposed this fault as the workforce participation and employment rates edged down in the 4th Quarter of 2017 after the storm. Typically, Pinellas County's labor force and employment decrease slightly during the fourth quarter, but the magnitude was significantly greater in 2017 after Irma when compared with previous years. A large reason for these trends is because Pinellas County's economy is reliant on the real estate and tourism industries as two of the county's base industries which are both highly volatile and relatively low paying economic sectors.

BLS data shows real estate, arts and entertainment, retail, and hospitality all have employment location quotients significantly above the national average. These broad industry categories are some of the first to suffer during an economic downturn. Compared with other industries, declines in sales in these four industries have a much greater effect on employment compared with industries such as professional services, manufacturing, and information technology. BEA Type I RIMS II data for Pinellas County estimates that a \$1,000,000 decline in sales is associated with 16.5 jobs being lost in the restaurant industry. By comparison, the same sales declines in the information technology sector is only associated with a loss of 5.3 jobs. The sales to jobs ratio explains how Pinellas can have such large and quick swings in employment.

Currently, Pinellas County's economy is nowhere near diverse enough for its size. Florida Gulf Coast University tracks industrial diversification across the state using Florida's workforce regions and Pinellas ranks in the middle as being 12th of 24. Pinellas does especially poorly when compared with other urban workforce regions, as it is significantly less diverse than neighboring Hillsborough County, as well as all of the workforce regions surrounding major cities such as Miami, Orlando, and Jacksonville. From a bigger picture perspective, the Tampa-St. Petersburg-Clearwater MSA is the least economically diverse major metropolitan area in Florida. Furthering the problem is that Florida is significantly economically less diverse than its neighbors having the 22nd most diverse economy nationally while Georgia, South Carolina, and Tennessee are ranked as the 1st, 2nd, and 3rd most economically diverse states.

Therefore, a more resilient economy in Pinellas County will require new industries and economic activity that create higher paying, full-time jobs and businesses less likely to decline dramatically after natural disasters like Irma. Creating a more resilient economy will require industrial diversification, and the incubator would represent a major step toward this goal. The incubator represents a regional approach to diversify the economy by incubating and accelerating businesses within industries such as information and computing, analytics, healthcare, marine sciences, and advanced manufacturing which create more high-quality, high-wage jobs. Building out a more entrepreneurial, diversified, and resilient economy would be a significant boon to the Pinellas County as it would help it to become a higher wage and more innovative region.

The incubator facility's design will demonstrate resiliency against future natural disasters like hurricanes and floods. Features will include elevation above the flood level, flat roof with no exposed mechanical/HVAC components, and reduced size, impact resistant windows. This will demonstrate to builders of commercial and industrial buildings in the area will how such facilities can be resilient yet attractive. Further, the facility will be designed to continue operating after a natural disaster—the aforementioned features will help ensure this, as will inclusion of a generator (a major problem after Hurricane Irma was the lack of electrical power in Pinellas County). Not only will the incubator's clients and tenants be able to continue their business activities after a natural disaster, but the facility can be used as a resource for the surrounding low income community as a food/water distribution center, and somewhere to charge cell phones. Therefore, the new facility will not only enable economic resiliency among the dozens of incubator clients, but also will provide community resiliency after a hurricane or other natural disaster.

TAMPA BAY TECH

August 31, 2018

Mr. Greg Vaday, ED Representative
U.S. Department of Commerce
Economic Development Administration
401 West Peachtree St., NW, Suite 1820
Atlanta, GA 30308

Dear Mr. Vaday,

By way of introduction, my name is Daniel James Scott and I am the COO & Co-Executive Director of Tampa Bay Tech, a non-profit organization based in Tampa, Florida. Our mission is to empower Florida's largest technology hub by providing strategic initiatives for the region's workforce, community and marketing. Our Pinellas County headquartered membership includes such current Inc 5000 honorees as KnowBe4 (96), Skynet Healthcare Technologies (1664) and Kobie Marketing (2586, in their 8th listing). It also includes such nationally-recognized Fortune 500 listees as Tech Data (83), Jabil (159) and Raymond James Financial (431).

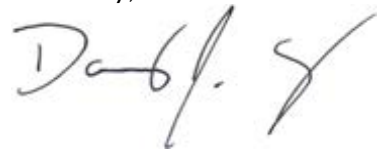
Personally, I have started a handful of companies, am an active angel investor, and was named the U.S. Small Business Administration's 2013 Florida Small Business Advocate of the Year.

I, and our organization, fully supports Pinellas County's plan to secure a \$9 million U.S. EDA Disaster grant and provide a \$3 million local match to design and construct a purpose-built business incubator to facilitate and support new business enterprises in the Tampa Bay region.

This incubator will support the further growth of our ecosystem by providing two primary functions: (1) support programs and services such as business mentoring/coaching, idea validation, strategy development, marketing assistance, network opportunities, workforce development, access to capital, access to business schools and interns, and standard office resources; and (2) a dedicated workspace that is a combination of affordable leased spaces and flexible collaborative workspaces. And we will support this initiative, as it will create high salaried jobs throughout the County and the region.

I appreciate your consideration of Pinellas County's proposal. Should you have any questions, please feel free to contact me at djs@tampabay.tech.

Sincerely,



Daniel James Scott
COO & Co-Executive Director
Tampa Bay Tech

ST. PETERSBURG DOWNTOWN PARTNERSHIP



August 29, 2018

Mr. Greg Vada, ED Representative
U.S. Department of Commerce
Economic Development Administration
401 West Peachtree St., NW, Suite 1820
Atlanta, GA 30308

Dear Mr. Vada:

The Downtown Partnership in St. Petersburg is pleased to support the U.S. EDA Disaster grant being pursued by Pinellas County and we encourage you to approve this request. This money would be used for a badly needed business incubator that will help to support other community goals in an important part of our community. It will help local citizens develop additional skills and new business enterprises in the Tampa Bay Area.

By providing these funds, the US Department of Commerce will be helping to support small business development while at the same time diversifying our local economy to be more resilient in the face of potential natural disasters. By supporting technology jobs and industries, the Federal Government will be helping our community prepare for a hurricane or other large- scale weather event that might disrupt other economic sectors including real estate and tourism.

The location for the proposed facility is in our up-and-coming innovation district adjacent to our urban core. This neighborhood is primed for success and is ideally suited between the urban center and low-income neighborhoods. This district has the potential to create jobs and create upward mobility for thousands of people in our community. And this grant is the key to unlocking many of these opportunities. The proposed site is a vacant 2.5-acre parcel at the southwest corner of 11th Avenue S. and 4th Street in St. Petersburg's Innovation District. The Tampa Bay Innovation Center will be the operator of the incubator.

Thank you for your consideration and support for this important project.

Jason Mathis
CEO

Collaboration ► Innovation ► Progress

244 Second Avenue North, Suite 201, St. Petersburg, Florida 33701
stpetpartnership.org • 727.821.5166



The Chamber Building
100 Second Ave. N., Suite 150
St. Petersburg, FL 33701
(727) 821-4069
stpete.com

August 15, 2018

Mr. Greg Vaday, ED Representative
US Department of Commerce
Economic Development Administration
401 West Peachtree St., NW, Suite 1820
Atlanta, GA 30308

Re: Pinellas County Grant Application to the U.S. EDA

Dear Mr. Vaday,

As President and CEO of the St. Petersburg Area Chamber of Commerce, I write to you today in support of the application Pinellas County (Florida) submitted requesting a \$9 million U.S. EDA Disaster Grant to design and build a purpose-built business incubator to facilitate and support new business enterprises in the Tampa Bay region. This project would receive a local match of \$3 million and be located in the City of St. Petersburg's Innovation District. current proposal to eliminate traffic lanes on Dr. Martin Luther King Jr. Street between 30th Ave North and 11th Ave North.

As the preeminent leader of business charged with ensuring economic growth and vitality in our community, the St. Petersburg Area Chamber of Commerce wholeheartedly supports this project which will not only provide a dedicated workspace for entrepreneurs but also offer support programs and services such as business mentoring/coaching, idea validation, strategy development, and other services.

This project also serves as a key element to our Grow Smarter strategy to foster entrepreneurship in our community and guarantee we remain at the forefront of innovation for decades to come.

In closing, I urge you to approve Pinellas County's application and award the U.S. EDA Disaster Grant to make this project a reality. Thank you for your consideration.

Sincerely,

President and CEO
St. Petersburg Area Chamber of Commerce



August 20, 2018

Mr. Greg Vaday, ED Representative
U.S. Department of Commerce
Economic Development Administration
401 West Peachtree St., NW, Suite 1820
Atlanta, GA 30308

RE: Pinellas County Grant Application

Mr. Vaday:

I'm contacting you today as the President of the St. Petersburg Innovation District in support of the Pinellas County application for a \$9 million U.S. EDA Disaster grant. This grant and local matching funds will enable the design and construction of a new business incubator in the St. Petersburg Innovation District operated by the Tampa Bay Innovation Center.

We recognize the importance of fostering local and regional new business enterprises, particularly in the targeted industry clusters that diversify the County's economy. The expansion of start-ups and small businesses will increase economic resiliency and create more high-quality, high-wage jobs.

The incubator's location in the Innovation District will capitalize on collaborations we have formed among healthcare, marine science, and technology organizations. The entrepreneurs will also benefit from proximity to talent and creativity found at the adjacent educational institutions and arts organizations.

This is a dynamic high-quality and fast-growing environment, and we believe that a business incubator is a critical addition to facilitate and support the growth of businesses and higher salaried jobs.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jonathan M. Ellen", with a long horizontal flourish extending to the right.

Jonathan M. Ellen, M.D.
President, Board of Directors
St. Petersburg Innovation District

744 6th Avenue South
St. Petersburg, FL 33701

727.440.7995
stpeteinnovationdistrict.com

August 17, 2018

Mr. Greg Vaday, ED Representative
U.S. Department of Commerce
Economic Development Administration
401 West Peachtree St., NW, Suite 1820
Atlanta, GA 30308

Dear Mr. Vaday,

The St. Petersburg Area Economic Development Corporation supports Pinellas County's application for the U.S. Economic Development Administration Disaster grant that would allow for the construction of a purpose-built incubator to facilitate and support new business enterprises in the Tampa Bay region. The incubator will leverage local and regional entrepreneurship and innovation programs to best support start-ups and small businesses that create high salaried jobs throughout region.

In 2014, the City of St. Petersburg and the St. Petersburg Area Chamber of Commerce commissioned the Grow Smarter Initiative, a competitive assessment of the city and region that identified targeted industries and confirmed St. Petersburg's strong and growing entrepreneurial ecosystem: "Positive signs abound in its entrepreneurial economy as an ecosystem builds around a host of key assets and skilled talent is attracted to the walkable and amenity-rich Downtown."

The business incubator is vital to support our community's targeted industry clusters and would help Pinellas County diversify its economy to become more resilient. Additionally, the incubator represents a regional approach to diversifying the economy by nurturing and accelerating technology businesses within industries to create more high-quality, high-wage jobs.

The St. Petersburg Area EDC works to support and retain local organizations, as well as recruit new businesses for our community. A high performing incubator is an important part of any effective innovation ecosystem that strives to start and grow high impact businesses. It is attractive to companies considering moving their business here, supports local talent and provides a space for existing companies to grow. The St. Petersburg Area EDC looks forward to working with our partners to advance this critical initiative.

Sincerely,



J.P. DuBuque, President
St. Petersburg Economic Development Corp.



David Punzak, Chairman
St. Petersburg Economic Development Corp.

100 Second Avenue North Suite 130
St. Petersburg, FL 33701

(727) 767-0209

www.StPeteEDC.com



August 14, 2018

Mr. Greg Vaday, ED Representative
U.S. Department of Commerce
Economic Development Administration
401 West Peachtree St., NW, Suite 1820
Atlanta, GA 30308

Dear Mr. Vaday:

The University of South Florida St. Petersburg supports plans by Pinellas County to secure a \$9 million U.S. EDA grant and provide a \$3 million local match for the design and construction of a business incubator to support new business enterprises in the Tampa Bay region. The proposed site is a vacant 2.5 acre parcel at the southwest corner of 4th Street and 11th Avenue South in the St. Petersburg Innovation District.

The business incubator will provide two primary functions: (1) support programs and services such as business mentoring/coaching, idea validation, strategy development, marketing assistance, network opportunities, workforce development, access to capital, access to academic instructors and interns, and standard office resources; and (2) a dedicated workspace that is both affordable and collaborative. It will leverage local and regional entrepreneurship and innovation to best support start-ups and small businesses that create high salaried jobs throughout the Tampa Bay region.

The local economy is highly susceptible to external shocks such as natural disasters. This issue is exacerbated by the reliance on low-wage, more volatile industries such as tourism and real estate. The business incubator will support specific targeted industry clusters and help Pinellas County diversify its economy to become more resilient by nurturing and accelerating businesses within industries including information and technology, marine science, healthcare and advanced manufacturing to create more high-quality, high-wage jobs. Creating a more entrepreneurial, diversified and resilient economy would be a significant contribution to the Tampa Bay region.

On behalf of the University of South Florida St. Petersburg, we support Pinellas County and the development of this facility to provide these services for our community.

Sincerely,

A handwritten signature in blue ink, reading "Martin Tadlock", is positioned below the word "Sincerely,".

Martin Tadlock
Interim Regional Chancellor
USF St. Petersburg

OFFICE OF THE REGIONAL CHANCELLOR
University of South Florida St. Petersburg • 140 7th Ave South, BAY208 • St. Petersburg, FL 33701
(727) 873-4151 • Fax (727) 873-4131 • www.usfsp.edu



Commissioner Janet C. Long

Chair

Commissioner Ronald Kitchen, Jr.

Vice-Chair

Commissioner Robin DiSabatino

Secretary/Treasurer

Vice Mayor Patrick Roff

Past Chair

Sean T. Sullivan

Executive Director

August 9, 2018

H. Philip Paradise, Jr.
Regional Director
Economic Development Administration
401 West Peachtree Street, NW, Suite 1820
Atlanta, GA 30308

Dear Mr. Paradise:

I am writing to you as Executive Director of the Tampa Economic Development District in support of Pinellas County's application for EDA assistance with the construction of a purpose-built business incubator to facilitate and support new business enterprises in the Tampa Bay region. The City of St. Petersburg will provide a vacant 2.5-acre parcel at the southwest corner of 11th Avenue S. and 4th Street as the site. The Tampa Bay Innovation Center will be the operator of the incubator.

The business incubator shall support specific targeted industry clusters, and help the County diversify its economy to become more resilient. A significant economic issue in Pinellas County is that its economy is highly susceptible to external shocks and its need for greater industrial diversification and resiliency planning. A large reason for this trend is because Pinellas County's economy is reliant on the real estate and tourism industries. Creating a more resilient economy will require industrial diversification and the incubator would represent a major step forward toward this goal.

The Tampa Bay Economic Development District finds that the proposed project is compliant with the adopted Tampa Bay Comprehensive Economic Development Strategy (CEDS), specifically Objective 3 of Goal 3, as stated "Support efforts by USF, HCC and others by providing technical support and support grant opportunities and the development of venture capital." As such, the District offers its support of the County's application.

Sincerely,

A handwritten signature in black ink that reads "Sean Sullivan".

Sean Sullivan,
Executive Director

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C.1352

Approved by OMB

4040-0013

1. * Type of Federal Action: <input type="checkbox"/> a. contract <input checked="" type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. * Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input checked="" type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. * Report Type: <input checked="" type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change
4. Name and Address of Reporting Entity: <input checked="" type="checkbox"/> Prime <input type="checkbox"/> SubAwardee * Name <input type="text" value="Pinellas County Board of County Commissioners"/> * Street 1 <input type="text" value="315 Court Street"/> Street 2 <input type="text"/> * City <input type="text" value="Clearwater"/> State <input type="text" value="FL: Florida"/> Zip <input type="text" value="33756"/> Congressional District, if known: <input type="text" value="12&13"/>		
5. If Reporting Entity in No.4 is Subawardee, Enter Name and Address of Prime: 		
6. * Federal Department/Agency: <input type="text" value="U.S. Economic Development Administration"/>	7. * Federal Program Name/Description: <input type="text" value="Economic Adjustment Assistance"/> CFDA Number, if applicable: <input type="text" value="11.307"/>	
8. Federal Action Number, if known: <input type="text"/>	9. Award Amount, if known: \$ <input type="text" value="9,000,000.00"/>	
10. a. Name and Address of Lobbying Registrant: Prefix <input type="text"/> * First Name <input type="text" value="Van Scoyoc"/> Middle Name <input type="text"/> * Last Name <input type="text" value="Associates"/> Suffix <input type="text"/> * Street 1 <input type="text" value="800 Maine Ave NW Ste 800"/> Street 2 <input type="text"/> * City <input type="text" value="Washington"/> State <input type="text" value="DC: District of Columbia"/> Zip <input type="text" value="20024"/>		
b. Individual Performing Services (including address if different from No. 10a) Prefix <input type="text"/> * First Name <input type="text" value="Harry"/> Middle Name <input type="text"/> * Last Name <input type="text" value="Glenn"/> Suffix <input type="text"/> * Street 1 <input type="text" value="800 Maine Ave SW Ste 800"/> Street 2 <input type="text"/> * City <input type="text" value="Washington"/> State <input type="text" value="DC: District of Columbia"/> Zip <input type="text" value="20024"/>		
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when the transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. * Signature: <input type="text" value="Completed on submission to Grants.gov"/> * Name: Prefix <input type="text"/> * First Name <input type="text" value="Brian"/> Middle Name <input type="text"/> * Last Name <input type="text" value="Lowack"/> Suffix <input type="text"/> Title: <input type="text"/> Telephone No.: <input type="text"/> Date: <input type="text" value="Completed on submission to Grants.gov"/>		
Federal Use Only:		Authorized for Local Reproduction Standard Form - LLL (Rev. 7-97)