



Pinellas County

Staff Report

File #: 18-074A, Version: 1

Subject:

Second Amendment to Economic Development Funding Agreement with STAR-TEC Enterprises to provide economic development incubation and acceleration services.

Recommended Action:

Approval of the Second Amendment to Funding Agreement between the Economic Development Authority (EDA) and STAR-TEC Enterprises (STAR-TEC), a Florida nonprofit corporation, by the Board of County Commissioners (Board), sitting as the EDA, to provide economic development incubation and acceleration services.

Strategic Plan:

Foster Continual Economic Growth and Vitality

4.1 Proactively attract and retain businesses with targeted jobs to the county and the region

Deliver First Class Services to the Public and Our Customers

5.1 Maximize partner relationships and public outreach

5.3 Ensure effective and efficient delivery of county services and support

Summary:

This Amendment reduces the EDA's annual funding to STAR-TEC for the existing term, extends the term an additional year through June 30, 2019, allows for three (3) additional one-year renewal periods, and revises performance goals.

Background Information:

On June 15, 2010, the Board, sitting as the EDA, approved the Economic Development Funding Agreement between the EDA and STAR-TEC for a term of one (1) year with a provision for four (4) one-year renewals. On October 21, 2014, the Board approved a First Amendment extending the term through June 30, 2015 with a provision for three (3) one-year renewals. The current term of this Agreement expires June 30, 2018.

Performance goals were established and included in the existing Agreement as Exhibit A.

Currently, there is a contract for sale of the STAR Center which is contingent upon the resolution of financial terms. There is no guarantee the sale will take place, however, the agreement includes a 90-day termination clause.

Fiscal Impact:

This agreement reduces annual FY18 funding (based on STAR-TEC's fiscal year; July 1, 2017 through June 30, 2018) from \$375,000 to \$225,000. Funding for FY19 will be \$200,000. Funding for the three additional one-year renewal periods will be set at \$175,000.

The funding source for this Agreement comes from Economic Development Authority's Young-Rainey Science Technology and Research (STAR) Center (either from ongoing operations, or from proceeds of the sale).

Staff Member Responsible:

Mike Meidel, Director, Economic Development

Partners:

STAR-TEC Enterprises

Attachments:

Second Amendment to Economic Development Agreement

First Amendment to Economic Development Funding Agreement

Economic Development Funding Agreement