



Pinellas County

Staff Report

File #: 24-0220D, Version: 1

Subject:

Employment Sites Program Grant Funding Agreement for a sum of not-to-exceed \$1,624,000.00 to Mastry's Brewing Co. LLC for the construction of a new headquarter operations including a primary manufacturing space and expandable operation space totaling 19,600 square feet.

Recommended Action:

Approval and execution by the County Administrator of a Grant Funding Agreement for a sum of not-to-exceed \$1,624,000.00 to Mastry's Brewing Co. LLC for the construction of a new headquarter operations including a primary manufacturing space and expandable operation space totaling 19,600 square feet to be located within the City of Pinellas Park.

- Funding for the new headquarter operations including a primary manufacturing space and expandable operation space totaling 19,600 square feet in the amount of \$1,624,000.00 was approved by the Board at its January 16, 2024 meeting, and delegated authority was given to the County Administrator to negotiate and execute all agreements and documentation.
- Total project cost is estimated to be \$9,965,552 million.
- The business intends to add 45 new jobs with the completion of the project.
- The grant will fund the additional significant building costs associated with the manufacturing space including a 30-foot-high ceiling instead of 20-foot height, chilled water-cooling system, and using a steel frame building.
- Grant funding is budgeted in the FY24-FY29 Capital Improvement Program plan under Economic Development Capital Projects (project 004149A). This project is funded by Local Infrastructure Sales Surtax (Penny for Pinellas), as part of the 8.3% countywide investment for Economic Development and Housing.

Strategic Plan:

Foster Continual Economic Growth and Vitality

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

4.4 Invest in infrastructure to meet current and future needs

Deliver First Class Services to the Public and Our Customers

5.1 Maximize partner relationships and public outreach

5.2 Be responsible stewards of the public's resources

Summary:

Mastry's Brewing Co. LLC will be building a new headquarter operations that includes a primary manufacturing location that will ultimately triple their current manufacturing capabilities. The project has The Sinclair Group as the general contractor for the project who has experience in constructing brewing facilities and hospitality development.

Background/Explanation:

The fifth application cycle for the County's Employment Sites Program opened on June 26, 2023, and closed on August 25, 2023. Mastry's Brewing Co. LLC applied for funding in order to underwrite a gap in funding of their headquarter operations and manufacturing space related to development costs.

The Agreement has a termination date of twenty (20) years from the Effective Date and has three payments based on benchmarks on obtaining two mid-point permit approvals and the owner's receipt of a Certificate of Occupancy for the buildings. For a period of the first ten (10) years of the Agreement, the owner will provide an annual report to Pinellas County identifying the total commercial square footage rented and the total number of jobs with their average wages for the structure.

The owner will be responsible for maintaining and operating the headquarter and manufacturing space for the term of the Agreement. If the owner defaults on the Agreement, there is a process identified for the repayment of grant funds based on the time of the default.

Fiscal Impact:

Grant funding is budgeted in the FY24-FY29 Capital Improvement Program plan under Economic Development Capital Projects (project 004149A). This project is funded by Local Infrastructure Sales Surtax (Penny for Pinellas), as part of the 8.3% countywide investment for Economic Development and Housing.

The County agrees to pay, but not to exceed, \$1,624,000.00 to Mastry's Brewing Co. LLC over the course of three separate payments in the amount of \$541,333.00. The first payment will be paid after inspection approval, the second payment will be issued following the dry-inspection approval, and the final payment will be made after a receipt of occupancy is provided.

Delegated Authority:

Funding for the new headquarter operations including a primary manufacturing space and expandable operation space totaling 19,600 square feet in the amount of \$1,624,000.00 was approved by the Board at its January 16, 2024 meeting, and delegated authority was given to the County Administrator to negotiate and execute all agreements and documentation (23-1967A).

Staff Member Responsible:

Dr. Cynthia Johnson, Director, Economic Development
Teresa Brydon, Business Development Manager, Economic Development

Partners:

N/A

Attachments:

Interlocal Funding Agreement
Applicant Overview Page