



Pinellas County

Staff Report

File #: 21-1182A, Version: 1

Subject:

Application for the Florida Job Growth Grant Fund in the amount of \$4,000,000 to fund a portion of the design, construction, and equipping of an approximate 45,000-square-foot purpose built, state-of-the-art facility to house the Tampa Bay Innovation Center incubator.

Recommended Action:

Approval to submit a grant proposal to the Florida Department of Economic Opportunity for the Florida Job Growth Grant Fund in the amount of \$4,000,000.00.

- The Florida Job Growth Grant Fund is an economic development program designed to help fund projects that promote public infrastructure and workforce training across the state.
- This grant would help fund portion of the design, construction and equipping of an approximate 45,000-square-foot purpose built, state-of-the-art facility to house the Tampa Bay Innovation Center incubator.
- In July 2019, the U.S. Economic Development Administration (EDA) awarded a grant of \$7,463,295.00 to the County for this project with a design and construction budget of \$12,000,000.00. Pinellas County committed to a match of \$4,536,705.00 for the EDA grant.
- The total project cost is currently estimated at \$15,608,795.00, which includes the building's design and construction, as well as fixtures, furniture, and equipment (FF&E). This is higher than the EDA budget due to an estimated \$2,000,000.00 increase in construction cost and the estimated \$1,500,000.00 for FF&E.

Strategic Plan:

Foster Continual Economic Growth and Vitality

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

4.4 Invest in infrastructure to meet current and future needs

Summary:

There is \$74 million in the Florida Job Growth Fund for 2021-2022 to help fund projects that focus on public infrastructure and workforce training projects. Proposals are reviewed by the Florida Department of Economic Opportunity (DEO) and Enterprise Florida, Inc. (EFI) and chosen by the Governor to meet the demand for workforce or infrastructure needs in the community. Grant applications are currently being accepted and the State will continue to award grants until the funding is expended.

In July 2019, the County was awarded an U.S. Economic Development Administration (EDA) grant for the incubator project. The U.S. EDA total project cost was \$12,000,000.00 to fund the design and construction. Since the award announcement in 2019, the project's cost has increased by an estimated \$2,000,000.00 in construction costs. In addition, the cost for necessary FF&E is estimated at \$1,500,000.00

Background Information:

In 2018, Pinellas County submitted a \$9,000,000.00 request for funding to the U.S. Economic Development Administration (EDA) to construct a 45,000-square-foot business incubator facility. Pinellas County committed to a \$3,000,000.00 local match if the funding was awarded. On February 5, 2019, EDA notified the County that its application was selected for further consideration and preliminary selection for an adjusted award amount of \$7,463,295.00, with an adjusted County matching share amount of \$4,536,705.00, or 38% of the project’s cost, at the time estimated at \$12,000,000.00. The Board approved the higher match at its March 12, 2019 meeting. In July 2019, the EDA awarded the grant and the County accepted the award on August 20, 2019.

Design work has been completed on the facility and the architect’s construction estimate anticipates a nearly \$2,000,000.00 increase due to rising construction costs and the need to elevate the building to a higher base flood elevation than originally anticipated. In addition, \$1,500,000.00 has been added to the overall budget for FF&E. The Tampa Bay Innovation Center is conducting a fundraising effort to fund \$3,500,000.00 of the overall costs. The County will need to commit to the EDA that it will fund the estimated \$2,000,000.00 increased cost to construct the building. The EDA requires a construction start by July 29, 2021 and a maximum 24-month construction period.

Fiscal Impact:

The County funded portion to support this project is budgeted in the County's Capital Improvement Program, proposed to be funded by the Local Infrastructure Sales Surtax (Penny for Pinellas) in project 004251A Tampa Bay Innovation Center Incubator. This funding is proposed from the Penny for Pinellas countywide investment for Economic Development Capital Projects and Housing and the project will be submitted for funding consideration as part of the Employment Sites Program (<http://www.pced.org/esp>).

Including this application, the project’s budget is:

State of Florida (this application)	\$ 4,000,000.00 (26%)
U.S. EDA	\$ 7,463,295.00 (48%)
Penny (proposed project)	\$ 2,645,500.00 (17%)
<u>Private Sector</u>	<u>\$ 1,500,000.00 (9%)</u>
TOTAL	\$15,608,795.00

Staff Member Responsible:

Kevin Knutson, Interim Director, Economic Development

Partners:

U.S. Economic Development Administration
Florida Department of Economic Opportunity
Enterprise Florida, Inc.
City of St. Petersburg
Tampa Bay Innovation Center/STAR-TEC Enterprises, Inc.

Attachments:

2021-2022 Florida Job Growth Grant Fund Public Infrastructure Grant Proposal

