

# Pinellas County

# Legislation Details (With Text)

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Title:	Compliance and eligibility review of current Tourist Development Tax Capital Project Funding Program applications.							
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Attachments:	Cen	<ol> <li>Correspondence from City of St Petersburg - History Museum, 2. Tampa Bay Watch Discovery Center, 3. American Craftsman Museum, 4. St. Petersburg Museum of History, 5. Capital Projects Funding Program Guidelines</li> </ol>						
Date	Ver.	Action By	,		A	Action	Result	
5/7/2019	1	Board of	County Co	mmis	sioners c	lenied	Pass	
5/7/2019	1	Board of	County Co	mmis	sioners a	pproved	Pass	
5/7/2019	1	Board of	County Co	mmis	sioners a	pproved with conditions	Pass	

# Subject:

Compliance and eligibility review of current Tourist Development Tax Capital Project Funding Program applications.

# **Recommended Action:**

Approval of the compliance and eligibility review of current Tourist Development Tax (TDT) Capital Project Funding Program applications to determine project funding eligibility.

- Five applications were timely submitted and received for consideration; 1) City of Clearwater's retained Spring Training Facility (Phillies), 2) Dali Museum, 3) American Craftsman Museum 4) St. Petersburg Museum of History, and 5) Tampa Bay Watch-Discovery Center.
- The Capital Project Funding Program Guidelines (Guidelines) include eligibility criteria, which may be waived by the Board.
- The City's spring training facility application has received conceptual approval by the Board and per the current Guidelines, the application will be considered outside of the Guidelines.
- On April 9, 2019, the Dali Museum expansion application has received conceptual Board approval and will be considered as part of the current program cycle.
- County Attorney has reviewed the balance of applications and presents the following for Board consideration;
  - The American Craftsman Museum (\$2M) appears to be an updated resubmittal of their last funding cycle application. There does not appear to be any new grounds, data or changes to the project that result in new or additional tourism impacts that would justify an additional award of funding.
  - The St. Petersburg Museum of History (\$2.8M) appears to meet statutory requirements

for funding, however, it does not meet lease requirements, attendance requirements, and ability to match funding is unclear.

 The Discovery Center (\$300K) is listed as both a museum and aquarium, which are not defined in the statute. Additionally, the application fails to meet lease requirements and minimum annual room nights.

#### Strategic Plan:

Foster Continual Economic Growth and Vitality

4.6 Support a vibrant community with recreation, arts, and culture to attract residents and visitors.

#### Summary:

The Board's review and approval is required to waive TDT Guidelines. Those projects receiving an eligibility waiver will permit staff to continue with due diligence. Staff will provide the Tourist Development Council's project recommendations after due diligence is completed, per the funding cycle schedule.

#### **Background Information:**

Five applications were timely submitted and received for consideration; 1) City of Clearwater's retained Spring Training Facility (Phillies), 2) Dali Museum, 3) American Craftsman Museum 4) St. Petersburg Museum of History, and 5) Tampa Bay Watch-Discovery Center.

The City's spring training facility application has received conceptual approval by the Board. Per the current Guidelines, the application will be considered outside of the Capital Projects Funding Program.

The Dali Museum expansion application has received conceptual approval and will be considered as part of the current Capital Projects Funding Program cycle.

The following applications require preliminary Board eligibility/compliance determinations to continue under the program:

The American Craftsman Museum has a total project cost of approximately \$62.57M. The request for TDT funding is \$2M. This application appears to be an updated resubmittal of their prior application. Last funding cycle, the Museum received \$6M in capital project funding. There does not appear to be any new grounds, data or changes to the project that result in new or additional tourism impacts that would justify an additional award of funding. This is especially true as there are no incremental increases propounded as required by the Guidelines. Thus, the application appears ineligible per the Guidelines.

The St. Petersburg Museum of History has a total project cost of \$6.8M. The request for TDT funding is \$2.8M. The project appears to meet statutory requirements for funding, however, it does not meet: 1) lease requirements, which is a minimum of 20 year lease for building remodels or improvements. The applicant's current lease expires in 2022, with a possible new ten-year lease upon project completion; and 2) while the project meets room night requirements, it does not meet attendance requirements. Both are required to be met under the Guidelines; 3) not clear if the applicant can meet the \$1-to-\$1 match requirement. The Board would have to waive these Guideline requirements in order for the application to be considered eligible for funding.

The Discovery Center has a total project cost of \$711K. The request for TDT funding is \$300K. The

applicant lists the project as both a museum and an aquarium. The statute does not define aquarium or museum. As submitted, the application does not appear to meet the common understanding or meaning of an aquarium. However, as the Center will provide educational and scientific exhibits, it does appear to meet the common definition of a museum. If the Board legislatively finds that the Center is a museum, the project would become statutorily eligible. With regards to the funding Guidelines, the application fails to meet the following: 1) long-term lease requirements, as the lease term presented is for five (5) years with a possible five (5)-year renewal; the Guidelines require a fifty (50)-year lease for new construction on leased land; 2) the application indicates the project will result in an estimated increase of 6,000 room nights per year, which is less than the required 10,000 room nights. The application projects to meet the attendance requirement. The Board would have to waive these Guideline requirements in order for the application to be considered eligible for funding.

# Fiscal Impact:

There is no fiscal impact associated with the compliance review.

# Staff Member Responsible:

Paul Sacco, Interim Director, Convention and Visitors Bureau

# Partners:

Tourist Development Council

#### Attachments:

Capital Projects Funding Program Applications American Craftsman Museum St. Petersburg Museum of History Tampa Bay Watch-Discovery Center Capital Projects Funding Program Guidelines