



Pinellas County

Staff Report

File #: 18-1039A, Version: 1

Subject:

Response to the Request for Proposal for the Development of City of St. Petersburg-owned Property within the Innovation District.

Recommended Action:

Approve and authorize the County, through its County Administrator, to submit a response to a request for proposal (RFP) for the development of City of St. Petersburg-owned property within the Innovation District (District), located at the southwest corner of 4th Street South and 11th Avenue South, in St. Petersburg, including authorizing the Administrator to approve amendments, certifications, and other documentation related thereto; approve preliminary plans to use the site as an incubator; approve the expenditure of \$12M for the incubator facility, with \$3M dedicated from the County, contingent upon the County receiving a \$9M grant from the U. S. Economic Development Administration to fund the balance of the project; authorize the County to acquire the property through purchase for a nominal amount or donation, or long term lease for nominal rent; approve entering into a binding agreement to ensure completion of the proposed project pursuant to RFP, if selected.

Strategic Plan:

Foster Continual Economic Growth and Vitality

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

4.2 Invest in communities that need the most

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:

This action authorizes the submission of a response to the RFP consistent with the Board's direction and commitments as identified in the Recommended Action section above. Submission of the RFP is the first step towards establishing a permanent facility for the Tampa Bay Innovation Center. All agreements resulting from a successful bid, including but not limited to a contract for sale and purchase or lease agreement, will come back before the Board of County Commissioners for review and approval, unless the authority to approve such instruments has been delegated to the County Administrator pursuant to Section 2-62 of the Pinellas County Code.

Background Information:

The City of St. Petersburg (City) has issued the RFP for the development of City-owned property within the District. The City's intent is for development of the property, preferably with office and entrepreneurial space, as a valued asset of the City and the District. Response to the RFP is due by July 30, 2018.

The mission of the District is to develop St. Petersburg into an environment that fosters job growth, economic development, learning and inspiration by bringing innovative people and organizations together. Its vision is to harness the potential of people, institutions, and businesses in the District to generate collaborative solutions that will benefit the world. Members of the District include Johns Hopkins All Children's Hospital, Bayfront Health St. Petersburg, University of South Florida, St. Petersburg Downtown Partnership, National Oceanic and Atmospheric Administration, St. Petersburg College, Poynter Institute, U.S. Geological Survey, Pinellas County Economic Development, and the Tampa Bay Innovation Center (TBIC).

In October 2013, a Feasibility Study was conducted, by Greenwood Consulting Group, Inc., on behalf of the TBIC. The preferred recommendation of the study concluded that a 40,000-50,000 square-foot mixed-use business incubator facility in the City of St. Petersburg, FL (City) would be feasible with an optimized funding plan. Since vacating the STAR Center, the TBIC has occupied a very undersized space in the St. Petersburg College Downtown Campus. In 2016, Pinellas County Economic Development Authority (PCEDA) issued a request for Letters of Interest to operate a Pinellas County Business Incubator. The TBIC was the top-ranked responder and it subsequently entered into a Memorandum of Understanding with the PCEDA to work together to establish a business incubator in Pinellas County. In August, the TBIC is planning to temporarily relocate to larger space in the County's 501 Building.

The City's property offers a location in the District to acquire a site on which to build a new state-of-the-art incubator facility as a permanent home for TBIC. The City had previously entered into a lease and development agreement with the TBIC to construct such a facility on this site. The agreement was for a nominal cost and the County's response to this RFP will request the donation of the property from the City as a partner. If the County is the successful bidder and obtains the property, either the County or the PCEDA would ultimately own the building and contract with TBIC to manage and operate the incubator.

To fund construction of the incubator, the County is applying for a \$9,000,000.00 federal U.S. Economic Development Administration grant. The County match for the grant would be \$3,000,000.00. The source of County's grant funding match will be determined if the U.S. EDA grant is awarded. Potential sources are proceeds from planned sale of STAR Center and Penny for Pinellas infrastructure sales surtax. This Board action to acquire the property for the purposes described herein is specifically contingent upon the County receiving the federal Economic Development Administration grant referenced above.

Fiscal Impact:

N/A

Staff Member Responsible:

Andrew W. Pupke, Director, Real Estate Management
Michael Meidel, Director, Economic Development

Partners:

City of St. Petersburg

Attachments:

Request for Proposal