



Pinellas County

Staff Report

File #: 19-297A, **Version:** 1

Subject:

Increased matching share commitment and execution of documents to comply with the U.S. Economic Development Administration request for additional information on the County's grant application for construction of the Tampa Bay Innovation Center Incubator.

Recommended Action:

Approval of the increased matching share commitment of \$4,536,705.00 and authorization for the County Administrator to execute non-monetary administrative documents related to the U.S. Economic Development Administration (EDA) grant application for construction of the Tampa Bay Innovation Center Incubator.

- In September 2018, Pinellas County submitted a \$9,000,000.00 request for funding to the EDA to design and construct a 45,000-square-foot business incubator facility.
- Pinellas County previously committed to a \$3,000,000.00 local match if the funding was awarded.
- The EDA has informed the County that its application was selected for further consideration and for preliminary selection of an award.
- The EDA is considering the County's application for an award of \$7,463,295.00, however, the County must commit to an increased local matching share amount of \$4,536,705.00 or 38% of the project's cost.
- EDA has also requested additional information and clarifications on certain aspects of the County's application.
- The source(s) of local match funding will be determined upon award.

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

4.4 Invest in infrastructure to meet current and future needs

Summary:

In 2018, Pinellas County submitted a \$9,000,000.00 request for funding to the U.S. Economic Development Administration (EDA) to design and 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 award. The EDA will consider the County's project for an award of \$7,463,295.00, however, the County must commit to an increased local matching share amount of \$4,536,705.00, or 38% of the project's cost. The EDA is also requesting additional information and clarifications on certain aspects of the County's application.

Background Information:

The project is to design and construct an approximately 45,000-square-foot business incubator space and outsource the operation to a third party operator. This project will be a partnership between the EDA, Pinellas County and the City of St. Petersburg. The total estimated construction project cost is \$12 million, and additional funding will be sought for equipping the facility. The site for this project is a vacant 2.5-acre MOL parcel located at the southwest corner of 11th Avenue South and 4th Street South, and owned by the City of St. Petersburg. The City intends to provide the property to the County for this project.

The current funding opportunity is under the 2018 EDA Disaster Supplemental Notice of Funding Opportunity based on the disaster declarations for Hurricane Irma. This is a unique and limited opportunity because it provides for a much higher level of financial support from the EDA. For example, in 2017 the County submitted a similar proposal for an EDA Public Works Investment under regular EDA funding guidelines. The EDA was considering the County's incubator project for 20% of the project. This award would account for 62% of the project's construction cost.

Fiscal Impact:

Summary of Estimated Funding:

| | |
|------------------------------|------------------------------|
| EDA Share | \$ 7,463,295.00 (62%) |
| Local Share | <u>\$ 4,536,705.00 (38%)</u> |
| Total Estimated Project Cost | \$12,000,000.00 |

The EDA Letter of Consideration requires the Local Share of project cost to increase by \$1,536,705.00 above the \$3.0M match proposed in the County's original grant application. The source(s) of local match funding will be determined upon award. Legally permissible sources include General Fund, Local Infrastructure Sales Surtax (Penny for Pinellas), state funding, and/or private investment.

Staff Member Responsible:

Mike Meidel, Director, Economic Development

Partners:

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

Attachments:

EDA Further Consideration Letter
Updated Federal Form SF424
Updated Pinellas County Matching Share Commitment Certificate of Eminent Domain and Attorney Verification
Affidavit of Public Notice
EDA Grant Application