



Pinellas County

Staff Report

File #: 19-1316A, **Version:** 1

Subject:

Grant award from the U.S. Economic Development Administration for the construction of the Tampa Bay Innovation Center Incubator.

Recommended Action:

Acceptance of a \$7,463,295.00 grant award from U.S. Economic Development Administration (EDA) and execution of grant award forms.

It is also recommended that the County Administrator be given delegated authority for adjustments and implementing documents given by the EDA during the term of the project.

- The project is to design and construct an approximate 45,000-square-foot business incubator space in the City of St. Petersburg.
- The total project budget is \$12,000,000.00 and the required local match is \$4,536,705.00.
- The grant award is conditioned upon the submission of the executed Financial Assistance Award Form CD-450 and the OIG Fraud Awareness Training Certification within 30 days of this grant award; and the submission of evidence of the County's unencumbered title to the property and an executed Lease and Operating Agreement with Star-Tec Enterprises within 90 days of this grant 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 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. The Board approved the higher match at its March 12, 2019 meeting.

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, the Star-Tec Enterprises/Tampa Bay Innovation Center (Star-Tec) 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 will provide the property to the County for this project and the incubator will be operated by Star-Tec.

The current funding opportunity is under the FY2018 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. The project qualifies under the EDA's Economic Adjustment Assistance program which seeks to improve the County's economic resilience through the diversification of Pinellas County's industry base. Hurricane Irma illustrated that Pinellas County has an economy that is greatly influenced by external shocks, including natural disasters. The incubator will focus on growing the target industries of Pinellas County to provide economic diversity and opportunities for higher paying employment.

Fiscal Impact:

The total Project cost is \$12,000,000.00. The amount of the grant award is \$7,463,295.00 and the required local match is \$4,536,705.00.

Summary of Funding:

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

The County will seek project funding from the State of Florida to offset a portion of the local match. Other legally permissible sources include General Fund, Local Infrastructure Sales Surtax (Penny for Pinellas), 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:

Grant Award Documents
OIG Fraud Awareness Training Certificate
Complete Grant Application
OMB Intent to Apply