



Pinellas County

Staff Report

File #: 24-0221D, Version: 1

Subject:

Employment Sites Program Grant Funding Agreement for a sum of not-to-exceed \$327,000.00 to Auburn Supply Group Int., Incorporated for the construction of a 12,000 square foot industrial building.

Recommended Action:

Approval and execution by the County Administrator of a Grant Funding Agreement for a sum of not-to-exceed \$327,000.00 to Auburn Supply Group Int., Incorporated for the construction of a 12,000 square foot industrial building to be located within Pinellas County.

- Funding for the 12,000 square foot industrial building in the amount of \$327,000.00 was approved by the Board at its September 22, 2022 meeting (Granicus item 22-1498A), and delegated authority was given to the County Administrator to negotiate and execute all agreements and documentation.
- The new industrial building will expand opportunities for the business to expand their head quarter facilities in order to provide employment opportunities to the county residents and to bring in new revenue opportunities.
- Total project budget is estimated to be \$2 million.
- The business intends to add 7 new manufacturing jobs with the completion of the project.
- The grant will fund the additional significant cost of construction and site acquisition related to the new headquarter facility.
- Grant funding is budgeted in the FY24-FY29 Capital Improvement Program plan under Economic Development Capital Projects (project 004149A). This project is funded by Local Infrastructure Sales Surtax (Penny for Pinellas), as part of the 8.3% countywide investment for Economic Development and Housing.

Strategic Plan:

Foster Continual Economic Growth and Vitality

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

4.4 Invest in infrastructure to meet current and future needs

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:

Auburn Supply Group Int., Incorporated offers innovative, non-toxic product alternatives to solve the complexities of transitions from plastics to a variety of eco-friendly food and beverage supply products for businesses. The new headquarter operations will also provide space for R&D as well as

inventory management. With the completion of the building, the company will add 7 new jobs.

Background/Explanation:

The third application cycle for the County's Employment Sites Program opened on February 1, 2022 and closed on April 4, 2022. Auburn Supply Group Int., Incorporated requested assistance to fund the overall cost of construction and site acquisition.

The Agreement has a termination date of twenty (20) years from the Effective Date and has one payment based on the owner's receipt of a Certificate of Occupancy for the building. For a period of the first ten (10) years of the Agreement, the owner will provide an annual report to Pinellas County identifying the total commercial square footage rented and the total number of jobs with their average wages for the structure.

The owner will be responsible for maintaining and operating the structure as an industrial building for the term of the Agreement. If the owner defaults on the Agreement, there is a process identified for the repayment of grant funds based on the time of the default.

Fiscal Impact:

Grant funding is budgeted in the FY24-FY29 Capital Improvement Program plan under Economic Development Capital Projects (project 004149A). This project is funded by Local Infrastructure Sales Surtax (Penny for Pinellas), as part of the 8.3% countywide investment for Economic Development and Housing.

The total maximum expenditure for this agreement is not to exceed \$327,000.00. The project will be paid over the course of three separate payments in the amount of \$109,000.00. The first payment will be paid after Slab Inspection Approval, the second payment will be made, after Dry In Inspection approval, and the final payment will be issued after receipt of Certificate of Occupancy.

Delegated Authority:

Funding for the 12,000 square foot industrial structure in the amount of \$327,000.00 was approved by the Board at its September 22, 2022 meeting, and delegated authority was given to the County Administrator to negotiate and execute all agreements and documentation.

Staff Member Responsible:

Dr. Cynthia Johnson, Director, Economic Development
Teresa Brydon, Business Development Manager, Economic Development

Partners:

City of Tarpon Springs

Attachments:

Interlocal Funding Agreement
Applicant Overview Page