

**JOINT MEETING
OF THE
BOARD OF COUNTY COMMISSIONERS
AND
TOURIST DEVELOPMENT COUNCIL**

March 18, 2015
9:00 a.m. – 12:00 noon

AGENDA

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| I. | Welcome | Commissioner John Morroni, Chairman |
| II. | Introductions | |
| III. | Overview of Tourist Development Tax | Michael A. Zas, Managing Assistant County Attorney |
| IV. | Proposed Amendment to Tourist Development Plan | Michael A. Zas, Managing Assistant County Attorney |
| V. | Category E – Funding Guidelines/Criteria | Michael A. Zas, Managing Assistant County Attorney |
| VI. | TDC Vote to proceed with Sixth Percent Discussion | Commissioner John Morroni, Chairman |
| VII. | Citizens' Comments | |
| VIII. | CVB Director Update | David Downing, CVB Executive Director |
| IX. | Adjournment | |

Order of items is subject to change. All times are approximate. Break may be taken.

Citizen's Comments

Any person wishing to speak must complete a comment card and give to staff. The Chairman will call the speakers, one by one, to be heard. Each speaker may speak up to three minutes. Persons who have been authorized to represent a group of four or more individuals, who are present, should complete a comment card and may speak up to 10 minutes.

Proposed TD Plan

Sec. 118-32. - Use of revenues; tourist development plan.

(a) *Tourist development plan.* The tax revenues received pursuant to this article shall be used to fund the Pinellas County tourist development plan hereby adopted as follows, unless the Board of County Commissioners, by a majority-plus-one vote, authorizes other allocations in accordance with statutory uses:

(1) Categories of allowable uses of tax revenues:

- a. Category A (Promotions, Advertising/Marketing): Promoting and advertising tourism in the state, nationally and internationally, which can include funding for the following: (i) marketing special events and programs; (ii) providing promotional or operating support for exhibits or programs provided by museums owned and operated by not-for-profit organizations and open to the public; (iii) providing promotional support for zoological parks that are owned and operated by not-for-profit organizations and open to the public; and (iv) event and program sponsorships. Grant guidelines shall be established by the tourist development council, which shall be subject to approval by the board of county commissioners, to determine eligibility, the application process, and award criteria and priorities for subsection (i), (ii), and (iii) funding herein.
- b. Category B (CVB, Promotions, Advertising/Marketing): Funding the St. Petersburg/Clearwater Convention & Visitors Bureau; funding budget reserves as authorized by law; and funding convention bureaus, tourist bureaus, tourist information centers and news bureaus by contract with the chambers of commerce or similar associations in Pinellas County.
- c. Category C (Beach Improvement/Nourishment): Funding beach improvement, maintenance, renourishment, restoration and erosion control.
- d. Category D (Capital Funding/Debt Service Other): Funding annually as matching funds (applicants must have at least \$1.00 for every \$1.00 of Category D tourist tax funding) to acquire, construct, extend, enlarge, remodel, repair, improve, maintain, or provide debt service on one or more publicly owned and operated convention centers, coliseums, or auditoriums as well as aquariums or museums that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public, and sports and recreation facilities not eligible for Category E funding below (hereinafter referred to as "Eligible Facilities"). Eligible Facilities must be located within Pinellas County and demonstrate the ability to attract tourists from the State of Florida, nationally or internationally. Funding guidelines shall be established by the Tourist Development Council, which shall be subject to approval by the Board of County Commissioners, to determine eligibility, the application process, and award criteria and priorities for funding. These purposes may be implemented through service contracts and leases with parties with sufficient expertise or financial capabilities to operate such Eligible Facilities.
- e. Category E (Debt Service/Professional Sports and Convention Center Capital Costs): Funding for debt service payments for bonds issued to finance the construction, reconstruction, or renovation of any of the following facilities: (i) a professional sports franchise facility located within Pinellas County either publicly

owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds; (ii) a retained spring training facility located within Pinellas County either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds; or (iii) a convention center located within Pinellas County, and to pay the planning and design costs prior to the issuance of such bonds.

(2)

(3) Notwithstanding the allocations in (2) above, there currently exist ongoing financial commitments which, until such time as satisfied and no longer outstanding, shall be funded as follows:

- a. Payment of debt service on bonds issued by the City of St. Petersburg to finance the construction, reconstruction or renovation of Tropicana Field, which shall be paid out of the fourth percent tourist development tax through September 30, 2015, at which time the obligation will be fully satisfied, and the fourth percent may then be used as otherwise provided for in the tourist development plan.
- b. Payment of debt service on bonds issued by the City of Dunedin to finance the construction, reconstruction or renovation of a retained spring training facility, which shall be paid as necessary out of the fifth percent tourist development tax through February 15, 2016, at which time this obligation will be fully satisfied, and the fifth percent may then be used as otherwise provided for in the tourist development plan.
- c. Payment of capital project funds for the Dali Museum which shall be paid out of the fourth percent tourist development tax in equal quarterly installments of \$125,000 commencing on October 15, 2015 and continuing through July 15, 2020, at which time this obligation will be fully satisfied, and the fourth percent may then be used as otherwise provided for in the tourist development plan.
- d. Payment of debt service on bonds issued by the City of Clearwater to finance the construction, reconstruction or renovation of a retained spring training facility, which shall be paid out of the fifth percent tourist development tax through February 15, 2021, at which time this obligation will be fully satisfied, and the fifth percent may then be used as otherwise provided for in the tourist development plan.

**PROPOSED TD PLAN
With
TDC Recommendations**

Sec. 118-32. - Use of revenues; tourist development plan.

(a) *Tourist development plan.* The tax revenues received pursuant to this article shall be used to fund the Pinellas County tourist development plan hereby adopted as follows, unless in a catastrophic event ^[CAO1] the Board of County Commissioners, by a majority-plus-one vote, authorizes other allocations in accordance with statutory uses:

(1) Categories of allowable uses of tax revenues:

- a. Category A (Promotions, Advertising/Marketing): Promoting and advertising tourism in the state, nationally and internationally, ~~which can include~~ and funding for the following: (i) marketing special events and programs; (ii) providing promotional or operating support for exhibits or programs provided by museums owned and operated by not-for-profit organizations and open to the public; (iii) providing promotional support for zoological parks that are owned and operated by not-for-profit organizations and open to the public; and (iv) event and program sponsorships; however, funding of not more than \$2 ^[CAO2] million annually for subsections (i)–(v), herein. –Grant guidelines shall be established by the tourist development council, which shall be subject to approval by the board of county commissioners, to determine eligibility, the application process, and award criteria and priorities for subsection (i), (ii), and (iii) funding herein.
- b. Category B (CVB, Promotions, Advertising/Marketing): Funding the St. Petersburg/Clearwater Convention & Visitors Bureau; funding budget reserves as authorized by law; and funding convention bureaus, tourist bureaus, tourist information centers and news bureaus by contract with the chambers of commerce or similar associations in Pinellas County.
- c. Category C (Beach Improvement/Nourishment): Funding beach improvement, maintenance, renourishment, restoration and erosion control.
- d. Category D (Capital Funding/Debt Service Other): Funding annually as matching funds (applicants must have at least \$1.00 for every \$1.00 of Category D tourist tax funding) to acquire, construct, extend, enlarge, remodel, repair, improve, maintain, or provide debt service on one or more publicly owned and operated convention centers, coliseums, or auditoriums as well as aquariums or museums that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public, and sports and recreation facilities not eligible for Category E funding below (hereinafter referred to as "Eligible Facilities"). Eligible Facilities must be located within Pinellas County and demonstrate the ability to attract tourists from the State of Florida, nationally or internationally. The funding shall be allocated in a geographically equitable manner to attract tourists throughout all of Pinellas County. ^[CAO3] Funding guidelines shall be established by the Tourist Development Council, which shall be subject to approval by the Board of County Commissioners, to determine eligibility, the application process, and award criteria and priorities for funding. These purposes may be implemented through service

contracts and leases with parties with sufficient expertise or financial capabilities to operate such Eligible Facilities.

- e. Category E (Debt Service/Professional Sports and Convention Center Capital Costs): Funding for debt service payments for bonds issued to finance the construction, reconstruction, or renovation of any of the following facilities: (i) a professional sports franchise facility located within Pinellas County either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds; (ii) a retained spring training facility located within Pinellas County either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds; or (iii) a convention center located within Pinellas County, and to pay the planning and design costs prior to the issuance of such bonds. Funding of not more than 20%^[ASC4] (or % TBD) of eligible allocated funds to any individual facility in subsections (i),(ii), or (iii), herein. Funding guidelines ^[ASC5] shall be established by the Tourist Development Council, which shall be subject to approval by the Board of County Commissioners, to determine eligibility and award criteria and priorities for funding.

(2)

- (3) Notwithstanding the allocations in (2) above, there currently exist ongoing financial commitments which, until such time as satisfied and no longer outstanding, shall be funded as follows:

- a. Payment of debt service on bonds issued by the City of St. Petersburg to finance the construction, reconstruction or renovation of Tropicana Field, which shall be paid out of the fourth percent tourist development tax through September 30, 2015, at which time the obligation will be fully satisfied, and the fourth percent may then be used as otherwise provided for in the tourist development plan.
- b. Payment of debt service on bonds issued by the City of Dunedin to finance the construction, reconstruction or renovation of a retained spring training facility, which shall be paid as necessary out of the fifth percent tourist development tax through February 15, 2016, at which time this obligation will be fully satisfied, and the fifth percent may then be used as otherwise provided for in the tourist development plan.
- c. Payment of capital project funds for the Dali Museum which shall be paid out of the fourth percent tourist development tax in equal quarterly installments of \$125,000 commencing on October 15, 2015 and continuing through July 15, 2020, at which

time this obligation will be fully satisfied, and the fourth percent may then be used as otherwise provided for in the tourist development plan.

- d. Payment of debt service on bonds issued by the City of Clearwater to finance the construction, reconstruction or renovation of a retained spring training facility, which shall be paid out of the fifth percent tourist development tax through February 15, 2021, at which time this obligation will be fully satisfied, and the fifth percent may then be used as otherwise provided for in the tourist development plan.

**CURRENT TD PLAN
REDLINE w/ Proposed Changes**

Sec. 118-32. ~~Use of revenues; tourist development plan.~~

(a) ~~Tourist Development Plan. development plan.~~ The tax revenues received pursuant to this article ~~shall~~may be used to fund the county tourist development plan ~~to strengthen the county's local economy and increase employment by investing the total receipts of the tourist development tax into a tourist development trust fund. The tourist development plan~~ is hereby adopted as follows unless the Board of County Commissioners, by a majority-plus-one vote, authorizes other uses in accordance with the statute:

(1) ~~(1)~~ Categories of use allowable uses of tax revenues:

a. ~~Category A: Promoting and advertising tourism in the state, nationally and internationally, provided that any activity, service, venue, or event that receives tourist tax revenues has as one of its main purposes the attraction of tourists as evidenced by the promotion of the activity, service, venue, or event to tourists.~~

a. ~~b. Category B: Funding not more than \$2,000,000.00 annually which can include funding for:~~ the following: (i) marketing special events and programs; (ii) providing promotional or operating support for exhibits or programs provided by museums owned and operated by not-for-profit organizations and open to the public; (iii) providing promotional support for zoological parks that are owned and operated by not-for-profit organizations and open to the public; and (iv) event and program sponsorships. Grant guidelines shall be established by the tourist development council, which shall be subject to approval by the board of county commissioners, to determine eligibility, the application process, and award criteria and priorities for subsection (i), (ii), and (iii) funding herein.

b. ~~e. Category E: Funding the St. Petersburg/Clearwater Convention & Visitors Bureau, including, but not limited to, funding public relations and news activities, internet marketing programs, promoting the county as a tourist destination at conventions, trade associations, exhibitions, or other tourist related activities and events, promoting leisure and convention travel, providing education, training, and support services, funding the activities of the Pinellas County Sports Commission and the Pinellas County Film Commission, and;~~ funding budget reserves as authorized by law; as well as funding convention bureaus, tourist bureaus, tourist information centers and news bureaus by contract with the chambers of commerce or similar associations in the county.

c. ~~d. Category D: Funding beach improvement, maintenance, renourishment, restoration and erosion control.~~

d. ~~e. Category E: Funding of not more than up to a maximum of \$4,500,000.00 or 3/4 of 1% of the bed tax, whichever is greater, annually as matching funds (applicants must have at least \$1.00 for every \$1.00 of Category ED tourist tax~~

funding) to acquire, construct, extend, enlarge, remodel, repair, improve, ~~or~~ maintain, or provide debt service on one or more publicly owned and operated convention centers, coliseums, or auditoriums, as well as aquariums or museums that are publicly owned and operated or owned and operated by not-for-profit organizations and open to the public, and sports and recreation facilities ~~that are~~ not eligible for Category ~~HE~~ funding (~~the enumerated facilities are together below~~ (hereinafter referred to as "Eligible Facilities"). ~~To be eligible for funding,~~). Eligible Facilities must be located within Pinellas County and demonstrate the ability to attract tourists from the State of Florida, nationally or internationally. ~~The funding shall be allocated in a geographically equitable manner to attract tourists throughout all of Pinellas County.~~ Funding guidelines shall be established by the tourist development council, which shall be subject to approval by the board of county commissioners, to determine eligibility, the application process, and award criteria and priorities for ~~Category E~~ funding. These purposes may be implemented through service contracts and leases with parties with sufficient expertise or financial capabilities to operate such Eligible Facilities.

~~f. Category F: Payment of debt service on bonds issued by the City of St. Petersburg to finance the construction, reconstruction, or renovation of Tropicana Field, a professional sports franchise facility, or payment of indebtedness issued to refund obligations issued for such purposes, through September 30, 2015.~~

~~g. Category G: Payment of debt service on bonds issued by the City of Clearwater to finance the construction, reconstruction, or renovation of a retained spring training franchise facility through February 15, 2021; and on bonds issued by the City of Dunedin to finance the construction, reconstruction, or renovation of a retained spring training franchise facility through February 15, 2016.~~

- e. ~~h. Category H: Funding not more than 80% of the fourth percent in any twelve (12) month period for debt service payments on any facility in subsections (i), (ii) or (iii) herein, and not more than 90% of the fourth percent in any twelve (12) month period for debt service payments for all facilities authorized in subsections (i), (ii) or (iii) herein,~~ for bonds issued to finance the: (i) construction, reconstruction, or renovation of a professional sports franchise facility located within Pinellas County either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds; (ii) construction, reconstruction, or renovation of a retained spring training facility located within Pinellas County either publicly owned and operated, or publicly owned and operated by the owner of a professional sports franchise or other lessee with sufficient expertise or financial capability to operate such facility, and to pay the planning and design costs incurred prior to the issuance of such bonds; or (iii) construction, reconstruction, or renovation of a convention center located within Pinellas County, and to pay the planning and design costs prior to the issuance of such bonds.

(2) ~~—(2)—~~ The five percent tourist tax ~~shall be allocated as set forth below, in accordance with~~, subject to the existing funding commitments and the annual budget approved by the board of county commissioners set forth in (3) herein, shall be allocated as follows:

a. ~~—a.—~~ The first, ~~second, and first 50% of the third percent~~ tourist tax may be used for ~~Category~~Categories A, and B, C, D, E and G uses, ~~subject to the pledge of the first percent and first 50 percent of the third percent as described in Section 118 31 (a)(1) and (2).~~

~~—b.—~~ The second 50% of the third percent tourist tax shall be used exclusively for ~~Category D~~ uses.

b. ~~—c.—~~ The fourth percent tourist tax shall be used exclusively for ~~Category F~~ uses through September 30, 2015. Commencing on October 1, 2015, the fourth percent tourist tax ~~percent~~ may be used for ~~Category G~~ uses through the dates of the retirement of the debt service obligations set out in subsection (1)g. above or September 30, 2021, whichever occurs first, ~~Category H~~ uses through September 30, 2021, if a commitment to funding debt service on bonds and/or planning and design costs for a ~~Category H~~ facility is approved by the board of county commissioners, and ~~Category A~~ uses for all fourth percent tourist taxes not applied to ~~Category G~~ and ~~H~~ uses as authorized in this subsection (2)c. and the tourist development plan Categories A and B.

c. ~~—d.—~~ The third percent shall be used as follows:

i) 50% to beach nourishment;

ii) 50% to Categories A and B.

d. The fourth percent shall be used as follows:

i) Up to 75% for Category D;

ii) Minimum of 25% for Categories A and B.

~~e.e.~~ The fifth percent tourist tax shall be used exclusively for ~~Category A~~ uses as follows:

~~—e.—~~ In addition to the uses authorized in subsections (2)a. through d. herein, any legally available tourist taxes may be used for special major events that arise from time to time which generate significant tourist room nights in Pinellas County, including professional sports championships and political conventions.

i) ~~—f.—~~ In addition to the uses authorized in sections (2)a. through d. herein, any legally available tourist taxes may be used for ~~Category C~~ budget reserves as authorized by law. The annual budgeted reserve for contingencies shall not be less than five percent of the total fund budget, unless otherwise approved by resolution of the board of county commissioners, and it shall be a priority to annually fund the reserve for contingencies at seven and one-half (7.5%) percent of the total fund budget by the 2012/2013 fiscal year. Up to 75% for Category E;

ii) Minimum of 25% for Categories A and B.

(3) Notwithstanding the allocations in (2) above, there currently exists ongoing financial commitments which, until such time as satisfied and no longer outstanding, shall be funded as follows:

- a. Payment of debt service on bonds issued by the City of St. Petersburg to finance the construction, reconstruction or renovation of Tropicana Field, which shall be paid out of the fourth percent tourist development tax through September 30, 2015, at which time the obligation will be fully satisfied, and the fourth percent may then be used per Section 2(d) above and/or 3(d) herein.
- b. Payment of debt service on bonds issued by the City of Dunedin to finance the construction, reconstruction or renovation of a retained spring training facility, which shall be paid as necessary out of the fifth percent tourist development tax through February 15, 2016, at which time this obligation will be fully satisfied, and the fifth percent may then be used per Section 2(e) above.
- c. Payment of debt service on bonds issued by the City of Clearwater to finance the construction, reconstruction or renovation of a retained spring training facility, which shall be paid out of the fifth percent tourist development tax through February 15, 2021, at which time this obligation will be fully satisfied, and the fifth percent may then be used per Section 2(e) above.
- d. Payment of capital project funds for the Dali Museum which shall be paid out of the fourth percent tourist development tax in equal quarterly installments of \$125,000 commencing on October 15, 2015 and continuing through July 15, 2020, at which time this obligation will be fully satisfied.

5% Option 1

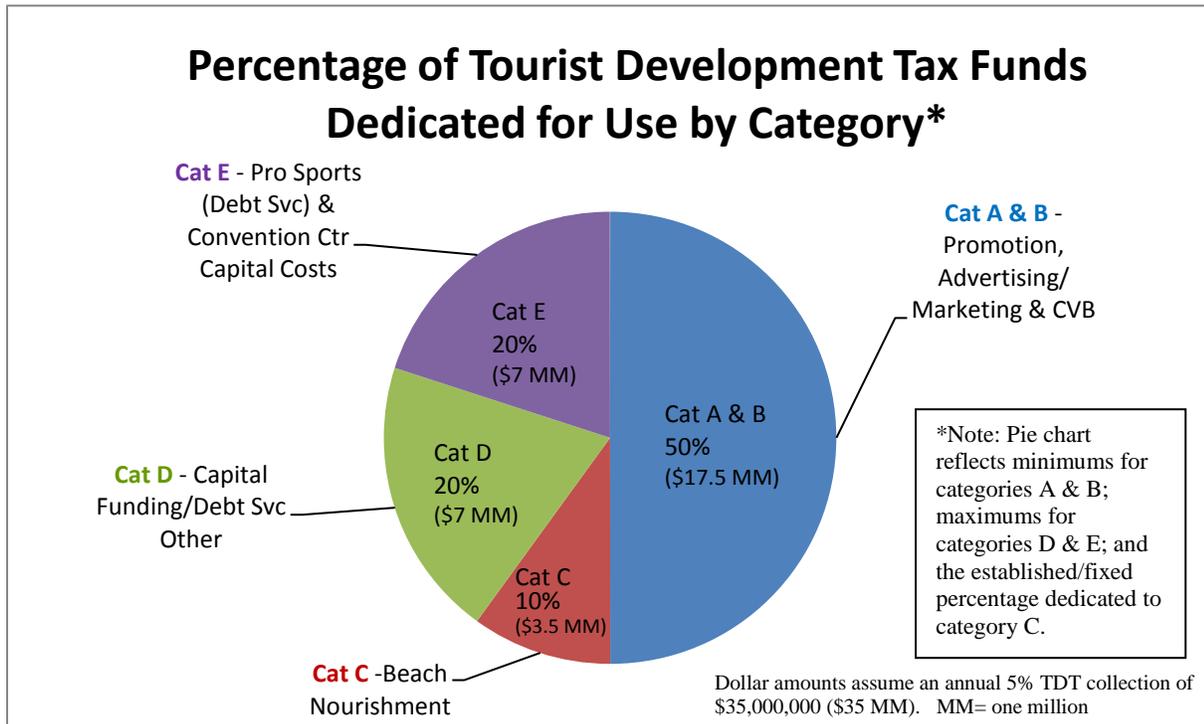
(2) The five percent tourist tax shall be allocated as follows:

(a)

1. The first percent may be used for Category D.
2. The second percent may be used for Categories A and/or B.
3. The third percent shall be used as follows:
 - a. 50% to Category C;
 - b. 50% to Categories A and/or B.
4. The fourth percent may be used for Category E.
5. The fifth percent shall be used for Category A.

(b) Any funds not used for the purposes designated in subsection (2)(a)(1–5), above, may be allocated to Category A.

For illustrative purposes the chart below represents a visual breakdown of the dedications outlined above but will not be included as part of the plan:



5% Option 2

(2) The five percent tourist tax shall be allocated as follows:

(a)

1. The first percent shall be used as follows:
 - a. Up to 75% for Category D;
 - b. Minimum of 25% for Categories A and/or B
2. The second percent shall be used for Categories A and/or B
3. The third percent shall be used as follows:
 - a. 50% to Category C;
 - b. 50% to Categories A and/or B.
4. The fourth percent shall be used as follows:
 - a. Up to 75% for Category E;
 - b. Minimum of 25% for Category A.
5. The fifth percent shall be used for Category A.

(b) Any funds not used for the purposes designated in subsection (2)(a)(1–5), above, may be allocated to Category A.

For illustrative purposes the chart below represents a visual breakdown of the dedications outlined above but will not be included as part of the plan:

