

**OFFICE OF THE CITY COUNCIL**

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**TOURIST DEVELOPMENT COUNCIL SPECIAL MEETING MINUTES**

**Friday, February 10, 2017**

**1:00 P.M.**

**117 West Duval Street**

**City Hall, Fourth Floor**

**Conference Room A**

**Attendance**

City Council President Lori Boyer, Board Chairperson

City Council Vice President John Crescimbeni, Board Vice Chairperson

City Council Member Greg Anderson, Board Member

Barbara Goodman, Board Member

M. G. Orender, Board Member-Excused

Kirit Patidar, Board Member

Jeffrey Truhlar, Board Member

Annette Hastings, TDC Executive Director

Jeff Clements, Chief of Research

Kirk Sherman, Council Auditor

Phillip Peterson, Council Auditor’s Office

Lawsikia Hodges, Deputy General Counsel

Greg Pease, Chief of Procurement

          **Meeting Convened 1:07 p.m. Meeting Adjourned: 4:01 p.m.**

**Introduction**

Council President Boyer convened the meeting and the attendees introduced themselves for the record. She reviewed the agenda and announced that the meeting would end no later than 4:00 p.m. She intends to concentrate on the convention marketing portion of the RFP today. The TDC will meet next Thursday for its quarterly meeting starting at 10:00 a.m., taking a recess at 11:30 for the City Council members to attend a JTA briefing/luncheon, and resuming afterward.

Ms. Boyer asked how many of the hoteliers in the room were members of the Visit Jacksonville board of directors – all but one (Art Casey of the Lexington Hotel) indicated they were board members and therefore are ineligible to make recommendations about what should and should not be in the RFP.

Mr. Patidar announced that Governor Scott would be attending a meeting next Monday, February 13th, at 3 p.m. in Flagler Beach to discuss the Visit Florida budget. Ms. Boyer reported that a Florida House of Representatives committee yesterday voted to remove all funding for Visit Florida from next year’s state budget and to prohibit use of TDC funding for sports facilities. Jacksonville will need to understand how this might impact on the bed tax funds currently dedicated to EverBank Field bonds and sports complex capital maintenance.

**Approval of Minutes**

Approval of the minutes of the January 27 and February 3, 2017 TDC special meetings were deferred to the next meeting.

**RFP process**

**Tourism Marketing RFP Evaluation Criteria**

The council continued its discussion from the previous meeting on the tourism marketing evaluation criteria. For the benefit of members who were not at a previous meeting, Ms. Boyer explained the “budget approach” which would allocate specific minimum amounts to certain functions and therefore would not reward proposals for cost savings in those areas. She advocated for developing metrics for measuring marketing success that are independent of the STAR (STR Global, Inc. hotel data company) report on hotel occupancy that actually measure the return on investment and validly demonstrate tourism growth directly due to marketing. She suggested that the metric could be evaluated as part of the respondents’ required 5-year plans in the explanation of how they intend to measure progress over the course of the contract.

With regard to the geographic location criterion, Mr. Pease explained that he had included language in the draft RFP that will require establishment of an office in Jacksonville within 30 days of contract award. The group asked Mr. Pease to craft additional language for the criterion related to working with local entities and professionals to accomplish the contract asks. Phillip Peterson of the Council Auditor’s Office said that his staff had drafted some financial responsibility-related metrics, including financial reports, current and projected budget, any pending litigation, corporate ownership details, etc. Commissioner Patidar questioned how many firms exist that do city/county tourism marketing apart from the tourist bureau function. Ms. Goodman felt that the opposite would be more problematic – finding companies that would only due the tourist bureau function without the marketing aspect. Chairwoman Boyer requested the Council Research Division to research tourism marketing firms.

The group agreed to defer assigning point values to the evaluation matrix until the next meeting when Mr. Pease presents his proposed RFP document.

**Convention Sales and Service RFP**

Ms. Boyer noted that the word “meetings” has been added to the listing of “conventions, exhibitions, trade shows, sports events and similar functions” in the Objectives and Narrative sections. She had met with SMG, the manager of the City’s convention center, to discuss convention center occupancy rates and opportunities for attracting events to the center that would increase hotel occupancy. She believes there are two ways to increase convention center-related hotel occupancy – filling the relatively few dates that the convention center is not currently being used, or swapping out one event for another that generates more hotel room nights (i.e. conventions that attract out-of-town visitors versus consumer shows that attract mostly local residents). Bill McConnell, the General Manager of SMG Jacksonville, discussed how the convention center is currently used and what opportunities for growth and obstacles to greater bookings may exist. Ms. Boyer suggested that the RFP concentrate more on meeting promotion in all available facilities (i.e. hotels, other public buildings, private meeting facilities) rather than primarily the convention center. She believes this is justifiable based on the TDC funds being used to market the city as a destination, not particular facilities. Mr. Truhlar said that when a group expresses interest in coming to the city for a meeting, all meeting facilities are given the opportunity to compete for that business. Ms. Boyer pointed out that a large percentage of meeting-related hotel occupancy is generated independent of Visit Jacksonville’s marketing efforts for a variety of reasons. She stated that increasing convention business in Jacksonville is a multi-faceted endeavor, requiring a better convention center, more and better hotel rooms, and more and better local attractions that will attract out-of-town business and visitors. All three are necessary components for success.

The group determined that a better definition is needed for the term “convention servicing”, whether it is solely related to execution of a contract (i.e. making accommodations and transportation arrangements) or whether it also includes tourism information provision, welcome tables, etc. Should that be a CVB function or the responsibility of the host hotel, or both? Monica Smith of Visit Jacksonville explained convention industry expectations of service provision and the need to sell the city as a destination to potential attendees after the city has been successfully sold to the meeting planners who booked the event. Barbara Goodman suggested that it would be better for the TDC to allow the respondents to the RFP to propose their recommended balance between convention marketing and subsequent service provision than to set prescriptive limits that might not be relevant to market expectations.

Regarding minimum qualifications, Ms. Boyer noted that the convention sales RFP differs from the tourism marketing in that it requires an office exist or be opened in Jacksonville if awarded the contract. In response to a question about how to rate respondents’ financial qualifications, Council Auditor Kirk Sherman said that rather than a set of fixed ratios or criteria, it would be more practical to compare the respondents to each other to grade financial strength on a comparative scale. His office can provide some standard ratio tests that the graders can apply to the RFP responses. The group discussed how to measure success in promoting meetings and conventions and how accurate the “group” reporting column in the STAR report is in accurately measuring room night production directly attributable to meeting business. The hoteliers in the meeting reported that branded hotels report their data to STAR, non-branded hotels typically don’t. The accuracy of the data is generally at the discretion of the general manager of each property and is not independently monitored or verified. The group discussed the possibility of comparing the STAR occupancy date with some fixed standard starting point (i.e. the Longwood report of total hotel occupancy by various visitor categories commissioned by Visit Jacksonville) to measure changes over time. Council Member Anderson suggested that the RFP respondents be asked to provide appropriate measures of success for the contract that the TDC can judge. Mr. Pease recommended that respondents be asked to use the same metrics to demonstrate their past performance in other jurisdictions.

The group debated the appropriate time frame for the successful proposer to convert their initial proposed action plan into a full-fledged plan approved by the TDC. It was agreed that 60 days after contract execution was a reasonable expectation. Ms. Boyer noted that any existing tourism promotion and marketing plans, STAR data that has been distributed to the TDC, etc. are public records and will be made available to any potential proposer, preferably posted by the City somewhere on its web site so that potential proposers don’t need to file public records requests to obtain the information. Council Member Crescimbeni requested information from the General Counsel’s Office on the degree to which Visit Jacksonville, as the TDC’s contracted service provider, is exempt from the state’s open records law and specifically whether it has an exemption from disclosing its RFP proposal during the development stage before it is submitted to City Procurement.

Ms. Boyer suggested that the RFP scope prohibit rebates or commissions to the convention marketing agency for services provided. She also raised the question of how much the scope should say about what convention servicing functions are expected to be provided to meetings not booked through the CVB as a CVB function supported by bed tax dollars. What is the appropriate balance between personnel assigned to convention marketing and time and effort devoted to on-site tourism services provided to meeting attendees? In response to a question from TDC Administrator Annette Hastings about what will happen to meeting servicing obligations that have already been made for a number of years into the future, the group agreed that the contract for the next service provider will have to contain language outlining their responsibility to carry out those previously-obligated services.

**Closing Comments**

The TDC’s quarterly meeting will be held on Thursday, February 16, 2017 beginning at 10 a.m., taking a recess at 11:30 a.m. to permit council members to attend a JTA briefing, and resuming after the completion of the briefing.

Ms. Boyer will send the group some of the statistical data on Jacksonville’s visitor data from the Longwood report on the trends in the reasons for their visits (business,

**Adjourn**

The meeting was adjourned at 4:01 p.m.

Jeff Clements, Council Research Division

Posted 2.13.17 5:00 p.m.