

**OFFICE OF THE CITY COUNCIL**

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**TOURIST DEVELOPMENT COUNCIL SPECIAL MEETING MINUTES**

**Monday, January 22, 2018**

**2:30 P.M.**

**117 West Duval Street**

**City Hall, Fourth Floor**

**Conference Room A**

City Council President Anna Lopez Brosche, Board Chairperson

City Council Vice President Aaron Bowman, Board Vice Chairperson

City Council Member Lori N. Boyer, Board Member **(dep. 4:35)**

Barbara Goodman, Board Member

Steven Grossman, Board Member

Kirit Patidar, Board Membe-**Excused**

Craig Smith, Board Member- **Excused**

Dawn Southworth, Board Member

Jeffrey Truhlar, Board Member **- Excused**

Dr. Cheryl L Brown, Director, Jacksonville City Council

Annette Hastings, TDC Executive Director

Jeff Clements, Chief of Research

Kim Taylor, Assistant Council Auditor

Phillip Peterson, Principal Council Auditor

Lawsikia Hodges, Deputy General Counsel

**Meeting Convened** 2:31 p.m. **Meeting Adjourned:** 4:45 p.m.

1. **Introductions**

Chairwoman Brosche called the meeting to order and the attendees introduced themselves for the record.

**II. Approval of Minutes**

The minutes of the TDC Special Meeting of December 14, 2017 were **approved as distributed 6-0.**

**III. CPSEC SS-0266-18 TDC Contract Extension Recommendation**

Approval of the CPSEC recommendation to extend the Transition Contract with Visit Jacksonville for Tourist Bureau Services for an additional 60 days was previously approved by the TDC acting in its capacity as the “using agency” for procurement purposes, but now the TDC needs to approve the final procurement recommendation (in place of the Mayor) in accordance with Ordinance Code Sec. 70.105, which grants the TDC, not the Mayor, the final approval of all recommendations from PSEC, CSPEC, and GGAC.

**Motion** (Southworth/2nd Bowman): approve the Tourist Bureau Services transition contract extension with Visit Jacksonville up to an additional 60 days through February 28, 2018 -

Public Comments – none

The Southworth motion was **approved 6-0.**

**IV. Amendments to TDC Revised Budget Schedule (Ordinance 2017-850)**

Assistant Council Auditor Kim Taylor discussed 2 options for approving a revision to the TDC budget to make a change related to private funds yet to be received for operation of the tourist information center at the Jacksonville International Airport. The first is a $350,000 option that does not budget the privately donated funds for operation of that center until they are received; the second is a $398,000 option reflecting the TDC fronting the money for the JIA visitor center until such time as the private funds are received and the TDC is reimbursed for that expenditure. The scope of services for the operation of the airport visitor center will need to be amended during the contract negotiations to reflect whichever option the TDC chooses. Steve Grossman, CEO of the Jacksonville Aviation Authority, explained the budget and operation of the JIA visitor information center, including the JAA’s separate contract with Visit Jax for operation of the kiosk. Council Member Boyer questioned to what extent Visit Jax is entitled to receive payment for operation of the JIA visitor center under either scenario during the period of the transition contract. Lawsikia Hodges indicated that it was her intent to draft language to make the private funds to be received in a self-appropriating trust account to be used by the TDC. Ms. Taylor explained several funding options to cover various proposals. Council Member Boyer suggested that the budget be approved at $398,000 with an automatic scope-of-service reduction provision in the event that the private funds are not received.

**Motion** (Boyer/2nd Goodman): amend the budget for Tourist Bureau services to $398,417 representing a $265,611 maximum indebtedness, an encumbrance of $239,544, $26,067 from development and planning funds (contingent upon City Council approval), and $32,278 in prorated third party funds; also amend the contract to include the obligation on the part of Visit Jax to seek the additional funds shown in the RFP response and provide that those funds to be reimbursed to the TDC upon receipt or, if not received, the contract will be amended to reflect a reduced scope of services at a lower contract amount; Visit Jax has 90 days from the execution of the contract to receive the private funding -

Public comment – none

The Boyer motion was **approved 6-0**.

Ms. Taylor discussed potential ways to structure the budget to roll up the specific plan sub-components into higher-level consolidated components as a means to avoid the necessity of taking legislation to City Council every time that sub-components need to be amended. She said that the TDC would still get the detailed level of information reflected on the current budget schedule and could make decisions as it deems prudent, but it would reduce the need for lengthy legislative action for small changes. Council Member Bowman suggested that the detailed allocations remain, but that the TDC be granted the authority by Council to make changes up to some maximum amount (i.e. 15%).

**Motion** (Boyer/2nd Bowman): approve the page 2 (rolled up) version of the TDC budget on the handout with the addition of a footnote stating that the budget reflects the sub-component allocations shown on page 1 of the handout as of a date certain, subject to being further amended by the TDC -

Public Comments – none

The Boyer motion was **approved 6-0**.

Barbara Goodman posed a question and the group discussed the “unforeseen expenditure” language that limits the use of some TDC contingency funds and the accounts to which it applies (the Contingency Account, not the Development Account). The term “unforeseen” is open to some interpretation regarding its application to different types of expenditures.

**V.  TDC RFP ESC-0575-17 Tourist Bureau Plan Services Contract**

Katie Matura, Vice President Marketing for Visit Jacksonville gave a PowerPoint presentation on the Three Year Comprehensive Tourist Information Bureau Operation Plan. The short-term plan envisions 3 permanent visitor centers: downtown on Laura Street, Jacksonville International Airport, and the Beaches Museum, all 3 open 7 days a week. She described the hiring and training process for the personnel who operate the visitor centers. Visit Jax will develop virtual reality videos for a variety of experiences to show visitors what sorts of experiences are available in Jacksonville. Consideration is also being given to Jacksonville-branded merchandise sales and improved signage and brochure distribution mechanisms. The plan envisions 5 unmanned kiosks around the city at top visitor locations – St. Johns Town Center, Jaxport Cruise Terminal, Beaches Town Center, Prime Osborn Convention Center and Jacksonville Zoo and Gardens.

In the longer term, consideration is being given to developing a new and improved centralized visitor center with better amenities at one of two locations: Friendship Fountain/Museum of Science and History or the Times-Union Center for the Performing Arts. Another idea is a mobile visitor center vehicle that could be deployed at events and locations where crowds will be present (i.e. festivals, conventions, stadium events, etc.). Visit Jax is making a concerted effort to assemble and continually update its databases of businesses, restaurants, attractions, etc. to note openings and closings. Ms. Mitura reviewed the performance measures for the tourist bureau contract. She reviewed possible capital expenditure items (kiosks, interstate and wayfaring signage, upgrades to existing centers, virtual reality/360 degree video setup, 360 degree videos) and said that there will need to be discussions and policy decisions by the TDC about a number of issues: how will capital expenditure process work (through City Procurement or by Visit Jax; RFPs or bids); implementation of a mobile visitor kiosk; sale of destination merchandise.

Mr. Grossman said that the process for evaluating tourist services is better done through measuring accomplishment of contractual tasks rather than measuring the number of interactions with visitors (which may be heavily dependent on general economic trends outside Visit Jax’s control). Ms. Goodman recommended that the TDC return to a previous discussion of increasing the accountability of the Visit Jax board and improving the TDC’s liaison relationship to that board. Council Member Bowman suggested that the Sports Complex (near the Veterans Memorial Arena and Baseball Grounds) would be a better location with more relevant foot traffic for unmanned visitor information kiosks than the cruise terminal or Prime Osborn Convention Center.

The consensus of the TDC was that the performance metrics should include both those already in the RFP and the specific requirement of Sec. 666.108 (b)(1)(ii) regarding production of an all-inclusive list of tourism-related attractions, events, facilities and business. Ms. Boyer clarified that the list is to include attractions and events as well as private businesses (restaurants, shops), and that it should include all currently existing businesses and attractions as well as new additions. Lawsikia Hodges asked that the Comprehensive Plan include these clarifications since the contract refers back to the Plan. Barbara Goodman recommended that language be included regarding a new convention center as a visitor center site since the Downtown Investment Authority is preparing to issue an RFP to solicit proposals for a new convention center. Council Member Boyer recommended giving more thought to using the proposed mobile visitor center instead of a temporary fixed facility at either Friendship Fountain/MOSH or the Times-Union Performing Arts Center to save the cost of constructing a temporary facility that could be phased out in 2 or 3 years.

The group decided to amend the Comprehensive Plan to make reference to 5 kiosks at 3 specific locations (St. Johns Town Center, Beaches Town Center and Jacksonville Zoo and Gardens) with 2 additional locations to be determined later by the TDC in consultation with Visit Jax. Ms. Boyer requested that production of the 360-degree videos should be budgeted in the marketing budget rather than the Tourist Bureau budget; Visit Jax agreed to that change. Chairwoman Brosche noted that the budget attached to the Comprehensive Plan will need to be amended to reflect the amended amounts approved in Section IV of the agenda noted above.

**Motion** (Boyer/2nd Bowman): approve the 3-year Tourist Information Bureau Comprehensive Plan with the amendments approved today by the TDC as noted above -

Public comment – none

The Boyer motion was **approved 6-0**.

**Motion** (Boyer/ 2nd Bowman) approve the Annual Tourist Information Bureau Operation Plan with the amendments discussed today the by the TDC -

Public comment – none

The Boyer motion was **approved 6-0**.

The TDC discussed the several clarifying questions posed by Visit Jax in the presentation on the Comprehensive Plan. With regard to the process for making capital improvements, Ms. Hodges said that Visit Jax could be charged to make the improvements but would need to comply with the City’s procurement processes unless specifically exempted from those requirements by the TDC. Council Member Boyer asked the Council Auditors and Office of General Counsel to research the allowable funding sources for the kiosks, since the Development Account is restricted to improvements placed on public property or property owned by not-for-profit organizations, which would seem to preclude locations like the St. Johns Town Center. Ms. Boyer suggested that $100,000 be allocated from the Contingency Fund to fund capital improvements in the Marketing budget by City Council as part of the budget amendment discussed above.

**Motion** (Boyer/2nd Bowman): transfer $100,000 from the Contingency Fund rollover account to the Marketing budget identified as unallocated marketing dollars for capital improvements -

Public comment – none

The Boyer motion was **approved 6-0**.

The TDC indicated its approval for Visit Jacksonville to make upgrades to the visitor centers at the Beaches Museum and JIA, but not the downtown branch, and to begin exploring unmanned kiosk options for future discussion with the TDC.

**Motion** (Bowman/2nd Goodman): Approve the Annual Budget for Tourist Information Bureau Services and the Contract Performance Measurements for Tourist Bureau Services as discussed -

Public Comments –none

The Bowman motion was **approved 6-0**.

**Open Contract Issues**

Lawsikia Hodges reviewed several contract provisions with the TDC.

Katie Mitura reviewed Visit Jax’s responses to the TDC’s series of questions regarding potential conflicts of interest and explained the position of several part-time visitor center employees (not full-time Visit Jax employees) who also work for tourism businesses (hotels and attractions).

**Motion** (Goodman/2nd Bowman): give final approval of the CPSEC recommendation to award the Tourist Bureau Information Services contract to Visit Jacksonville as amended and conditioned based on the TDC’s discussion in the amount of $265,611 -

Public Comments – none

The Goodman motion was **approved 5-0**.

**VI. Legislative Filings –Update**

Ordinance 2017-848 funding the Jacksonville Zoological Society’s Great Africa exhibit marketing: the bill was approved in its Council committees and is pending before City Council for final approval on January 23rd.

**VII.  TDC Advisory Committee - Update**

Amend TDC Advisory Committee Charge to include the fourth item pursuant to 2016-599 to review and determine the feasibility of a grant application fee to defray the costs of grant administration provided by the Tourist Development Council staff.

**Motion** (Goodman/2nd Bowman): amend the Advisory Committee charge to include a directive to consider the feasibility of a grant application fee to defray the costs of grant administration provided by the Tourist Development Council staff -

Public Comments – none

The Goodman motion was **approved 5-0.**

**VIII. Closing Comments**

The TDC Quarterly Meeting will be held on February 15, 2018.

**IX. Adjourn**

The meeting was adjourned at 4:45 p.m.

Jeff Clements, Council Research Division

Posted 1.24.18 9:00 a.m.