

**OFFICE OF THE CITY COUNCIL**

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**TOURIST DEVELOPMENT COUNCIL**

**MEETING MINUTES**

**Thursday, February 15, 2018**

**1:00 P.M.**

**117 West Duval Street**

**City Hall, First Floor**

**Lynwood Roberts Room**

**Attendance**

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

Barbara Goodman, Board Member

Steven Grossman, Board Member

Kirit Patidar, Board Member-Excused

Craig Smith, Board Member

Dawn Southworth, Board Member

Jeffrey Truhlar, Board Member

Annette Hastings, TDC Executive Director

Jeff Clements, Chief of Research

Kim Taylor, Assistant Council Auditor

Lawsikia Hodges, Deputy General Counsel

          **Meeting Convened 1:03 p.m. Meeting Adjourned: 4:36 p.m.**

**Introduction**

Chairwoman Anna Brosche called the meeting to order and the attendees introduced themselves for the record. A moment of silence was observed in memory of the students killed in the school shooting in South Florida yesterday.

**Approval of Minutes**

The minutes of the TDC Special Meeting of January 22, 2018 were **approved 8-0 as distributed**.

**TDC Financial Report**

Assistant Council Auditor Kim Taylor gave the quarterly financial report. As of January 31st the Tourist Bureau budget had an available balance of $239,544; the Marketing available balance was $30,500; the Convention Sales budget available balance was $900; the Development and Planning budget available balance was $150,000; and the Special Event Grant available balance was $251,767. Several of the accounts have issues with timing of previously approved expenditures actually being booked. The Development Account balance was $2,750,000 and the Contingency Account budget balance was $1,563,000, again with some additional approved expenditures pending posting. The comparison of annual bed tax collections showed a 7.67% increase from the year ended January 2017 to January 2018, the fiscal year to date collection rate was up 13.25% year over year, and the comparison of collections for the month of January was up 13.63% year over year.

**Visit Jacksonville Convention Grant Encumbrance Requests**

 **Presenter:** Monica Smith, Vice President of Sales and Services

 **Total Encumbrance Request CVB Grant Fund FY 2017-2018 $24,365**

 **Total Room Nights: \_\_5,911\_**

**1.** **Name of Group:** United States Chess Federation

**Hotel(s) Utilized:** Hyatt Regency Jacksonville Riverfront

**Date:** April 21-27, 2020

**Room nights:** 1,554 (at $5 per room)

**Estimated Attendance:** 3,600

**Funds Use:** Group Transportation/Reception

**Funds to be encumbered:** $7,770

**Summary**: The US Chess Federation (US Chess) is the official governing body and not-for-profit 501(c)(3) organization for chess players and chess supporters in the United States. Their mission is to empower people through chess one move at a time. The vision is to enrich the lives of all persons and communities through increasing the play, study, and appreciation of the game of chess. The event they are bringing to Jacksonville in April 2020 is the Junior High School Championship.

TDC Member Southworth said that she would not be voting on the convention grant requests due to a conflict of interest, and she has filed the appropriate paperwork in that regard.

**2. Name of Group:** Association of American Feed Control Officials

**Hotel(s) Utilized:** Omni Jacksonville

**Date:** March 19-23, 2018

**Room nights:** 472 (at $5 per room)

**Estimated Attendance:** 130

**Funds Use:** A/V

**Funds to be encumbered:** $2,360

**Summary**: The Association of American Feed Control Officials (AAFCO) is a voluntary membership association of local, state and federal agencies charged by law to regulate the sale and distribution of animal feeds and animal drug remedies. Headquartered in Illinois, the Association provides a forum for the membership and industry representation to achieve three main goals: safeguarding the health of animals and humans, ensuring consumer protection, and providing a level playing field of orderly commerce for the animal feed industry

**3. Name of Group:** American Mosquito Control Association

**Hotel(s) Utilized:** Hyatt Regency Jacksonville Riverfront

**Date:** February 25-March 4, 2022

**Room nights:** 2,595 (at $3 per room)

**Estimated Attendance:** 750

**Funds Use:** A/V, Reception

**Funds to be encumbered:** $7,785

**Summary:** The AMCA mission is to provide leadership, information, and education leading to the enhancement of health and quality of life through the suppression of mosquitoes and other vector-transmitted diseases, and the reduction of annoyance levels caused by mosquitoes and other vectors and pests of public health importance.They will be coming to Jacksonville for their 2022 Annual Convention.

In response to a question from TDC Member Boyer about the commitment of funds for future years, Ms. Smith said that they are focusing the remaining available resources on groups looking at 2019 events.

**4. Name of Group:** Association for State Territorial Solid Waste Management Officials

**Hotel(s) Utilized:** Omni Jacksonville

**Date:** August 19-22, 2018

**Room nights:** 380 (at $5 per room)

**Estimated Attendance:** 200

**Funds Use:** AV/or Reception

**Funds to be encumbered:** $1,900

**Summary**:  The mission of the Association of State and Territorial Solid Waste Management Officials is to enhance and promote effective State and Territorial programs and to affect relevant national policies for waste and materials management, environmentally sustainable practices, and environmental restoration.

**5. Name of Group:** National Association of Women Business Owners

**Hotel(s) Utilized:** Hyatt Regency Jacksonville Riverfront

**Date:** October 10-16, 2019

**Room nights:** 910 (at $5 per room)

**Estimated Attendance:** 800

**Funds Use:** AV or Venue/Room Rental

**Funds to be encumbered:** $4,550

**Summary:** National Association of Women Business Owners (NAWBO) was founded in 1975 and is the unified voice of over 10.1 million women-owned businesses in the Unites States representing the fastest growing segment of the economy. NAWBO is the only dues-based organization representing the interests of all women entrepreneurs across all industries; and with chapters across the country. In 2019, they are bringing to Jacksonville their Annual National Women’s Business Conference with an estimated 800 attendees. The group has also booked an executive board meeting for One Ocean

**Motion** (Boyer/2nd Bowman): move approval of the 5 requests above for a total of $24,365 at $5 per room night for all of the events except the American Mosquito Control Association at $3 per room night.

**Motion** (Boyer/2nd Bowman): approve the 5 convention grant requests in the total amount of $24,365 as described above ($5 per room night for each event except the American Mosquito Control Association at $3 per room night), for expenditure on allowable purposes as described in the applications –

Public Comments - none

**The motion was approved 7-0-1** (Ms. Southworth abstaining due to her announced conflict of interest).

**Special Event Grant Presentations**

 **1**.  **FHSAA Track and Field Championship**

**Applicant:**JAXSPORTS Council

**Presenter:** Alan Verlander**,** Chief Operating Officer, JAXSPORTS Council

**Date:** May 3-5, 2018

**Location:**  University of North Florida-Hodges Stadium

**Grant Amount:** $32,000

**Attendance:** 10,438

**Room Nights:** 2,000

**Funds Use:** Facility Rental/Facility Expenses

Alan Verlander described the event and the fee being paid to UNF to operate the event portion of the meet. The expenses being reimbursed will help prepare the track to host the Atlantic Sun Conference track and field championship 2 weeks later. UNF is foregoing $16,000 in usual rental charges because of the value of the event in bringing prospective college students to the campus. He stated the NCAA national track and field championship will be coming to UNF in 2019 because the University of Oregon has decided not to hold the event on its campus and UNF was chosen as the replacement site. In response to a question from TDC Member Boyer about the tourism impact of the event, Mr. Verlander said that room night bookings for this event are difficult to predict because it is heavily dependent on which schools and individual athletes qualify for the event and how far they have to travel (schools from Central and South Florida and the Panhandle would bring more room night bookings since they are beyond commuting distance). Mr. Verlander said that it has been challenging to find corporate sponsors for this event, in part because the FHSAA and NCAA already have some corporate sponsors which limits who can also be recruited as additional local sponsors. He indicated that the event would be willing to refund a portion of the TDC contribution should a substantial corporate sponsor be found. At the request of Ms. Boyer, Deputy General Counsel Lawsikia Hodges read to the group the allowable uses of TDC funds. Ms. Boyer questioned whether this event can be interpreted as “promotion of tourism” if the grant would mostly pay meet operational expenses and the athletes participating will come as a result of having achieved a qualifying time/score in their event, not as a result of being influenced by promotional efforts. Ms. Boyer noted that the funds need to be used for tourism promotion and the event budget does not have a promotions category. Mr. Verlander said that the event organizers will market the event in the areas where the qualifying teams and individuals come from.

**2. Spartan Race Open Ceremony -2018**

**Applicant:** JAXSPORTS Council

**Presenter:** Alan Verlander**,** Chief Operating Officer, JAXSPORTS Council

**Date:**                           April 27, 2018

**Location:**                   SeaWalk Pavilion, City of Jacksonville Beach

**Grant Amount:** $91,000

**Attendance:** 10,000

**Room Nights:** 4,000

**Funds Use:** Opening Ceremony Expenses/Marketing Promotion

Mr. Verlander said that Spartan Race is a worldwide brand with which JAXSPORTS would like to develop a connection. The opening event will be held at the beach since downtown is already occupied with the Welcome to Rockville concert and that the actual race will be held at a private ranch on the Westside because it is the only place large enough to host the event; there is no public facility that can accommodate the event. Cherie Bortnick with the Spartan Race organization said that the organization holds over 200 events in 36 countries worldwide (63 events in the U.S.) and is rapidly expanding. The events are televised on the NBC and NBCSports networks and live streamed online. The events generate a large amount of earned media value from participants posting their participation to social media. Ms. Bortnick described the demographics of the participants and the breadth of the media targeting efforts to attract attendance. She said that over 4,000 participants have registered for Jacksonville’s event thus far and over 75% are from outside of the immediate Jacksonville area and would need hotel rooms. TDC Member Truhlar noted that the event is being held on one of the busiest tourism weekends in Jacksonville (Welcome to Rockville, Opening of the Beaches). In response to a question from Council Member Bowman, Ms. Bortnick described the difference in opening ceremonies from city to city, highlighting what makes each location special.

Deputy General Counsel Lawsikia Hodges noted the requirement for events to be held in publicly owned venues to qualify for TDC funding; in her opinion this event exists in a somewhat gray area because the main event is being held at a private facility and only the opening ceremony is being held at a public venue, and the funding request is split between public venue costs and marketing for the event at the private facility. In response to a question from Ms. Boyer, Mr. Verlander explained Jacksonville Beach’s limitation on the number of TDC-supported events at its facilities and said that April was already booked for a Jax Beach TDC-supported event, so funding was not available for this event from that source.

**3**. **Jacksonville Jazz Festival Signature Event-2018**

**Applicant:** City of Jacksonville Office of Special Events

**Presenter:** Brent Fine, Special Events Manager

**Date:**                          May 24-27, 2018

**Location:**                  Main Street Park, Hemming Park, Courthouse Lawn, Florida Theatre

 Adams St., Laura St., Main St., Monroe St., Broad St., Duval St.

**Grant Amount:** $65,725

**Attendance:** 30,000

**Room Nights:** 1,100

**Funds Use:**Marketing/Advertising Promotion

Mr. Fine discussed the attendance at and performance of last year’s event and the demographics of the VIP package purchasers. New for this year will be a stage on the Courthouse lawn on Monroe Street. Seven airports were targeted for advertising last year, which received 1.8 million impressions. Ms. Boyer called to the attention of the newer TDC members the substantial increase in the event grant last year to substantially increase out-of-town marketing. Mr. Fine explained that $20,000 was left unspent from last year’s grant because several advertising efforts were not executed (ad placements on Pandora, because the city and the company could not reach agreement, and ads in several other outlets because the debate over TDC funding extended past advertising deadlines). Ms. Boyer noted that despite the increase in the TDC allocation, room occupancy was down for that weekend. Council Member Bowman questioned how the success of the advertising in the Southwest Airlines and jazz magazines could be tracked. Mr. Fines said that surveying will be increased to get more information from attendees about their origins and hotel usage. TDC Member Smith commented that he didn’t see the increased value to the TDC from the tripling of the funding allocation for the event over the past 2 years. Ms. Boyer felt that the funding application did not reflect any improvements that may have occurred as a result of the additional spending. TDC Member Goodman asked Mr. Fine to prioritize the potential funding uses in the event that the TDC decides to reduce the requested allocation this year. TDC Member Grossman recommended that the Special Events Division work with Visit Jacksonville to improve its data collection effort from visitors.

**4.** **Powerboat P1 Jacksonville Grand Prix - 2018**

**Applicant:** City of Jacksonville Office of Sports and Entertainment

**Presenters:** Joey Bergman, Business & Finance Manager

 Azam Rangoonwala, CEO of Powerboat P1 USA

**Date:**                          June 1-2, 2018

**Location:**                  City of Jacksonville Memorial Park-St. Johns River

**Grant Amount:** $20,000

**Attendance:** 3,000-5,000

**Room Nights:** 200

**Funds Use:** National and International Television Production /Distribution

Mr. Rangoonwala, CEO of Powerboat P1 USA, showed a video of the television coverage of last year’s P1 event in Jacksonville. Laura Johnson of Powerboat P1 USA explained the tour’s metrics on media coverage and social media. The value of Jacksonville-specific media mentions was over $556,000 last year. Mr. Rangoonwala said that the tour hopes eventually to move the Jacksonville event to the Metropolitan Park/EverBank Field portion of the river to increase attendance. Ms. Boyer explained to the newer TDC members that in the past the allocation has been for the purpose of marketing outside of the Jacksonville area in the form of the national and international television coverage and the brand identity on the Visit Jacksonville-branded boat as it tours to different race sites. It does not qualify for event grants, but could be accommodated as a single-source promotional grant. TDC Member Goodman was troubled by the gradual decline in room nights generated by the event year by year. Mr. Rangoonwala said that the room nights being reported are just the P1 Powerboat staff and racers that they can specifically verify; they find it very difficult to get actual room night information by surveying attendees. He explained the value of the Visit Jacksonville boat wrap as a promotional item as the boat tours from race to race.

**Motion** (Boyer/2nd Truhlar): approve a transfer of $20,000 from the special events budget to the marketing budget for a single-source marketing grant to the Powerboat P1 race for a Jacksonville-branded boat wrap on the P1 tour and for the production costs of the television show that generates international awareness of Jacksonville, contingent upon the City Council approving the legislation currently pending. TDC staff is authorized to process the single-source award through the Procurement Division; the Council Auditor will mark next week’s City Council committee agendas to make the necessary amendments to the pending TDC budget legislation –

Public comment – none

**The Boyer motion was approved 8-0.**

**Motion** (Bowman/2nd Truhlar): approve the FHSAA Track and Field Championship allocation request of $32,000 in the form of a $10,000 room guarantee for 2,000 room night at $5 per room, and $22,000 as a grant for use of a public facility and for promotion of the event to tourists –

**Motion** (Truhlar/2nd Boyer): approve a total allocation of $20,000 in the form of $10,000 for a room night guarantee of 2,000 rooms at $5 per night and $10,000 as a grant for use of a public facility and for promotion of the event to tourists –

Public comment – none

**The Truhlar motion was approved 8-0**

**Motion** (Truhlar/2nd Grossman): approve a grant of $50,000 to the Jacksonville Jazz Festival as an outright grant for marketing, advertising and promotion with no room guarantee requirement, subject to actual expenditures in compliance with the marketing plan presented in the application -

Ms. Southworth stated that she would be abstaining from the vote on the Jazz Festival grant due to a conflict of interest. Ms. Boyer suggested conditioning the grant on a presentation by the Jazz Festival organizers at the next TDC quarterly meeting following the event with room night data, attendee survey data, STR report, and other available data.

Mr. Truhlar **amended his motion** to include the Boyer recommendation to require a follow-up presentation on performance from the event organizers after the event before year-end, with a minimum sample size of at least 5% of event attendees for the survey data and 5 years of trend data on room occupancy (STR data) -

TDC Member Smith recalled a conversation the TDC had at a previous meeting about getting applications from events substantially earlier so that the commission has time to ask and get answers to clarifying questions.

In response to a question from Council Member Bowman, Mr. Fine said that a $15,000 reduction in the marketing budget would cause the elimination of the line item for Clear Channel Outdoor mobile ads.

**The Truhlar motion with the Boyer friendly amendment regarding post-event reporting and the elimination of the Clear Channel Outdoor mobile ads from the marketing plan in the application was approved 7-0-1 (Southworth abstained).**

**Motion** (Smith/2nd Truhlar): approve a grant of $60,000 to the Spartan Race in the form of a $20,000 room night guarantee at $5 per night and $40,000 for marketing expenses, the entire $60,000 to be used to promote the event that begins in a public facility –

Council Member Boyer praised the event but questioned the award for an event that only uses a public facility for the opening night ceremony, not the event itself. Ms. Hodges noted that the public facility restriction is self-imposed by the TDC.

**Motion** (Grossman/2nd Boyer): fund the Spartan Race event at $40,000 and marketing at $20,000 with no room night guarantee, all tied to promotion of the opening night event at the public facility -

Public comment – none

**The Grossman motion was** **approved 8-0.**

**Visit Jacksonville Quarterly Report**

Brian Fike, Visit Jacksonville Director of Finance and Administration, reviewed the organization’s FY16-17 audited financial statement. $240,320 in unused TDC funding will be returned to the City within 2 weeks. TDC acceptance of the audit was postponed to a future meeting after the members and the Council Auditor’s Office have a chance to read and review the document.

Mr. Fike then reviewed the first quarter income statements for the Marketing, Convention Sales and Services and Tourist Bureau contracts. Several line items have negative variances, which should all be resolved by the end of the fiscal year. Mr. Fike requested TDC approval to reallocate funding among line items to help address a budgeting error in the supplies/utilities/office expenses budget by moving $20,000 from the Marketing Overhead Administration salaries/wages/benefits line and $30,000 from the Convention Sales and Services Overhead Administration salaries/wages/benefits line to the office supplies/utilities/office expenses in those budgets, and moving $5,000 from the salaries/wages/benefits line in Convention Sales and Services to the postage/shipping/office supplies line of that budget. Ms. Boyer clarified with Monica Smith of Visit Jacksonville that the transfer of funds from the salaries/ wages/benefits line would not impact the number of personnel that they have in Sales and Ms. Smith confirmed it would not have an effect.

**Motion** (Boyer/2nd Grossman): approve the Visit Jacksonville proposed FY17-18 budget reallocation as distributed –

Public comment – none

**The Boyer motion was** **approved 8-0**

Several representatives of the Dalton Agency reviewed the first quarter performance statistics for the Tourism Marketing Services contract. After Hurricane Irma in the fall of 2017, site traffic on web sites is up substantially. Direct targeting to the Tampa, Charlotte, Austin, Dallas, Cincinnati and Indianapolis markets is showing good results. Hotel occupancy and room revenue were up in the fall, despite the fact that the Hyatt hotel, the largest in Jacksonville, has been closed since the hurricane. Several campaigns have substantially over-performed their expectations, but the advertising through ESPN and Pintrest did not perform as well and will be discontinued. Katie Mitura noted that a travel writer familiarization trip in the fall generated very positive articles in Food and Wine and Southern Living magazines, and more are expected in the coming months. Facebook videos and Instagram posts are generating substantial traffic. Web traffic from Atlanta is up over 90% due to a campaign there, and commercials run in several cities during the Jaguars’ playoff games generated substantial traffic. In response to a question from TDC Member Goodman, Ms. Mitura said that they contact with a company called Adara that tracks whether clicks on informational web sites actually lead to travel to and bookings in Jacksonville.

With regard to the Tourist Bureau contract, Ms. Mitura reported that first quarter performance is

The Beaches visitor center will open next month and staff are currently in training. The TDC will be invited to the grand opening.

With regard to the Convention Sales & Services contract, Dalton Agency reported that banner ads and geofencing around a travel planner industry convention in Orlando drove heavy traffic to the Visit Jax web site. Monica Smith of Visit Jax said that great results are being seen in RFPs and sales leads through Visit Jax’s investment in the Cvent meeting planning web site. Total event RFPs and room night production are up overall, but average room nights per RFP and average value per RFP were down slightly. First quarter room night generation and definite bookings exceeded goal. Bookings for 2018 are very strong and attention is being turned to 2019 events. An event is already booked for 2023. Staff attended 12 trade shows in the first quarter, 1 trade mission to Charlotte and a client event in Tallahassee. The convention services group serviced 42 groups in the first quarter and meeting planner satisfaction survey data is very positive.

Ms. Smith distributed two documents - Visit Jacksonville Development and Planning Research Recommendations and Visitor Experience Recommendations – which, in the interest of time, will be discussed at the next meeting.

**Florida’s First Coast of Golf Quarterly Report - David Reese, President**

Mr. Reese briefly reviewed the various digital and print marketing efforts underway. Staff will be traveling to numerous golf promotion events around the nation and will be hosting golf writers from around the nation and from China in the near future.

**TDC Advisory Committee Special Events and Convention Grant Guidelines Report**

The report will be discussed in detail at the next meeting.

**Legislation Issues /Lawsikia Hodges, Deputy General Counsel**

Ms. Hodges said that a trust fund will be created to receive donations and sponsorship revenues; Council Member Boyer volunteered to sponsor the legislation.

TDC Budget Ordinance 2017-850 (as substituted): the bill will be in committees for discussion and action next week.

Travel Policy Recommendations: Monica Smith distributed a list of suggestions for changes that will be discussed at a future meeting.

**Other Business**

Council Member Boyer suggested the need for a special meeting sometime before the next quarterly meeting to delve into the research ideas, travel policy and other items.

**Public Comments**

The TDC’s next quarterly meeting is scheduled for May 17, 2018

The meeting was adjourned at 4:36 p.m.

Jeff Clements, Council Research Division

Posted 2.21.18 5:00 p.m.