

1. **Room night production (contracts)**

Room night production, the subcommittee will recommend a year 1 minimum quota of 85,000 room nights with a 5% annual escalator rate (Note: 85,000 + 5%;Trailing 12 August-July; If miss goal by 5% or more re opens negotiations; Measure Self Report)

2. **Room Night Definites Actual for Current Year**

Room nights definite (actualization recommend a goal of 85,000 and 5% annual growth thereafter (same as the room night production goal). Reporting will cover the period of August-July each year. (Note: 85,000 + 5% ; Measure Self Report)

Group Segment Rev Par?

3. Group segment revenue per available room (REV PAR) and room average daily rate (ADR) The recommended goal will be 0.25% REV PAR group segment growth (based on STR report data) per year over each year's actual rate (beginning at \$14.54 for 2016), measured for the August-July period. (Note: .25% RevPAR 14.54;Measure STR Group Report)

Greater Awareness

4. Goal of 2% annual awareness growth (to 8% from a base of 6%) based on meeting planner surveys with at least a 40% response rate. (Note: Response rate of 40% 2% per year growth)

New vs Repeat

5. Set a goal of 50% of room night production and actualized attendance being new business each year Note: Maintain a base of 50% of RN production is NEW business)

Subcommittee recommend that if the goals on measures 1 and 2 (room night future bookings and room night actualization)or 1 and 2 combined by a total of some percentage yet to be determined, are missed by 5% or more, the TDC is allowed to reopen contract negotiations.

Proposed Revisions to Section 8 and Section 10
CONVENTION SALES AND SERVICES CONTRACT

8. Annual Convention Sales, Services and Marketing Plan. On or before September 27, 2017, Contractor shall submit and present a proposed annual comprehensive convention sales, services and marketing plan in the format required under this Section for Fiscal Year 2017-2018 to the Tourist Development Council for review and approval. The Tourist Development Council shall review, amend as necessary, and approve Contractor's proposed Annual Convention Sales, Services and Marketing Plan for Fiscal Year 2017-2018 on or before September 30, 2017. Each fiscal year thereafter, Contractor shall submit a proposed Annual Convention Sales, Services and Marketing Plan to be reviewed, modified as necessary, and approved by the Tourist Development Council in April of each fiscal year ("***Annual Convention Sales, Services and Marketing Plan***"). The Annual Convention Sales, Services and Marketing Plan shall incorporate any suggested improvements or marketing concerns contained in Contractor's Annual Performance Evaluation and shall be consistent with the Comprehensive Convention Sales, Services and Marketing Plan. This plan shall also include an analysis of the ratio of funds dedicated to the various aspects of this plan component and will contain alternatives for adjusting the ratio if necessary. Such analysis shall be based on historical experience as well as information evidenced in nationwide industry trends, such as downturns in tourism in other parts of the state or country that may translate into tourism opportunities for Jacksonville. Part of this plan shall be a set of specific actions to be taken that will increase the number of room nights spent in Jacksonville by out-of-town convention and meeting visitors. ~~Using the 2015-2016 Fiscal Year as a benchmark, the~~ The Tourist Development Council will evaluate the Contractor's success under the Contract based on the Performance Measures and Goals (defined in Section 10 below) contained on Exhibit B attached hereto, which shall include without limitation, increases in the overall number of room nights during each twelve month calendar year period immediately preceding the Evaluation Completion Period (defined in Section 10 below) for each Contract year of the Term. Contractor's successes shall be related to specific, purposeful activities of the Contractor under this Contract. Contractor will emphasize the reporting of room nights projected and achieved. Contractor's goals for increases in the number of room nights shall increase in accordance with the Performance Measures and Goals.

10. Annual Performance Evaluation; TDC's Right to Allocate or Reallocate Funding. Except for the first Contract year, the Tourist Development Council shall evaluate the Contractor's performance of the Scope of Work (the "***Annual Performance Evaluation***") in the first calendar year quarter (e.g., January-March) of each Contract year ("***Evaluation Completion Period***") of the Term based on the five (5) performance measures and goals contained on Exhibit B attached hereto, and any other performance measures and goals mutually agreed to between the Contractor and the TDC ("*Performance Measures and Goals*"). The Tourist Development Council in its sole discretion shall weight each of the performance measures and goals in the Annual Performance Evaluation as it deems appropriate. Notwithstanding, the first Contract

year, each subsequent Annual Performance Evaluation for Performance Measures 1 and 2 for the second, third, fourth and fifth Contract years shall be based on the previous twelve month calendar year period immediately preceding the Evaluation Completion Period as identified on Table 1.1 of Exhibit B. ~~The Annual Performance Evaluation for the first Contract year shall be based on the months from the Effective Date through the evaluation date in the first quarter.~~ Beginning in the second Contract year, within 25 days of December 31st of each Contract year, the Contractor shall provide the TDC Executive Director with a year-end evaluation report for the immediately preceding calendar year period (i.e., January 1st through December 31st). Such report shall include the outcomes of the five (5) Performance Measures and Goals and such other information as reasonably required by the TDC Executive Director to assist the Tourist Council in its Annual Performance Evaluation of the Contractor. The Tourist Development Council in its sole discretion may use the information and results of each Annual Performance Evaluation to allocate funding to Convention Sales and Services plan component in the proposed TDC Budget for the upcoming fiscal year and reallocate funding from the Convention Sales and Services plan component in the second and third quarters of the current fiscal year (e.g. April-September). Contractor's under or over performance under this Contract based on the Performance Measures and Goals may affect the TDC Budget allocations to the Convention Sales and Services plan component during the Term. Nothing in this Section shall prevent the Tourist Development Council from exercising any other rights or remedies under this Contract, including termination and suspension of work, for Contractor's failure to perform the Scope of Work or comply with any Contract terms or conditions contained herein. For purposes of this Contract, a "Contract year" shall mean the period beginning October 1st and ending on September 30th during the Contract term.

Exhibit B
Performance Measurements

The Tourist Development Council shall use the following five (5) performance measures and goals as outlined below to evaluate Contractor's performance under this Contract. The Tourist Development Council in its sole discretion shall weight each of the performance measures below in the Annual Performance Evaluation as it deems appropriate.

I. Overall Contract Performance Measures and Goals. Except for the first Contract year, Contractor's satisfactory performance under this Contract for each Contract year shall be directly tied to the following five (5) overall objective performance ~~goals and~~ measures and goals listed below:

- 1) Annual 5% increase in new room night future production (contracts obtained in a given calendar year for the current year and future years) over baseline of 85,000 (see Table 1.1 below);
- 2) Annual 5% increase for room night actualization (current calendar year actual occupancy) over baseline of 85,000 (see Table 1.1 below);
- 3) Annual .25% minimum REV PAR group segment growth increase for based on the Group Segment Trend Report data per year over each year's actual rate revenue per available room (REVPAR) over baseline of 14.54 ;
- 4) 2% increase in awareness of Jacksonville as a destination (as measured by Smith Travel Research as part of the Destination MAP report and surveys); and
- 5) Maintain a minimum base of 50% of room night production and room night actualization that is new business (booked and actualized).

The goals for each Contract year during the Contract term for performance measures 1 and 2 above shall be based on the immediate preceding twelve month calendar year period as identified in Table 1.1 below

II. Table 1.1 Performance Measures and Goals by Contract Year for PM 1 and PM 2 Only

Abbreviation Key

CY Eval Period – Calendar Year Evaluation Period; ECD – Evaluation Completion Period; EVAL – Evaluation; PM- Performance Measure; RNP – Room Night Production; RNA – Room Night Actualization

Contract Year	Contract Fiscal Year Budget	Calendar Year EVAL Period (ECY)	TDC Annual ECP	Required RNP For CY Eval Period (PM 1 Goal 5% increase per year)	Required RNA For CY Eval Period (PM 2 Goal (5% per year)
Year 1 Oct. 1, 2017- Sept. 30, 2018	FY17-18	N/A	N/A	85,000 (baseline)	85,000 (baseline)
Year 2 Oct. 1, 2018- Sept. 30, 2019	FY18-19	Jan. 1, 2018- Dec. 31, 2018	Jan-March 2019	89,250	89,250
Year 3 Oct. 1, 2019- Sept. 30, 2020	FY19-20	Jan. 1, 2019 – Dec. 31, 2019	Jan-March 2020	93,712	93,712
Year 4 Oct. 1, 2020- Sept. 30, 2021	FY20-21	Jan. 1, 2020 – Dec. 31, 2020	Jan-March 2021	98,398	98,398
Year 5 Oct. 1, 2021- Sept. 30, 2022	FY21-22	Jan. 1, 2021 – Dec. 31, 2021	Jan-March 2022	103,317	103,317

PM 3 Goal: Annual .25% minimum REV PAR group segment growth based on the Group Segment Trend Report data per year over each year’s actual rate over baseline of 14.54.

PM 4 Goal: 2% increase in awareness of Jacksonville as a destination (as measured by Smith Travel Research as part of the Destination MAP report and surveys).

PM 5 Goal: Maintain a minimum base of 50% of room night production and room night actualization that is new business (booked and actualized).