



OFFICE OF THE CITY COUNCIL

Tourist Development Council

OFFICE: (904) 630-7625

FAX: (904) 630-2906

E-MAIL: REMerritt@coj.net

117 West Duval Street, Suite 425

4th Floor, City Hall

Jacksonville, FL 32202

A G E N D A

**TOURIST DEVELOPMENT COUNCIL
MEETING MINUTES**

Thursday, November 8, 2018

1:30 P.M.

City Council Conference Room A

Suite 425, City Hall

117 West Duval Street

I. ATTENDANCE

City Council President Aaron Bowman, Board Chairperson

City Council Vice President Scott Wilson, Board Vice Chairperson

City Council Member Lori N. Boyer, Board Member

Barbara Goodman, Board Member

Steven Grossman, Board Member - EXCUSED

Kirit Patidar, Board Member

Craig Smith, Board Member (arr. 1:34)

Dawn Southworth, Board Member

Jeffrey Truhlar, Board Member – EXCUSED

Annette Hastings, Interim TDC Staff

Rachel Merritt, Interim TDC Staff

Sondra Fetner, Interim TDC Staff

Jeff Clements, Chief of Research

Kim Taylor, Assistant Council Auditor

Lawsikia Hodges, Deputy General Counsel

Meeting Convened 1:31 p.m.

Meeting Adjourned: 5:50 p.m.

II. Introductions

Chairman Bowman convened the meeting and the attendees introduced themselves for the record.

III. Approval of Minutes

The minutes of the TDC's meeting of October 17, 2018 were **approved unanimously**.

Councilor Goodman said that she received 21 emails relating to items on today's agenda and feels that's too many to reasonably process. Chairman Bowman said the council will discuss meeting process and data distribution later in the meeting.

IV. TDC Financial Report

Assistant Council Auditor Kim Taylor gave the TDC Financial Report. The month of October revenues were down 1.1% from October of last year, while the annual revenues were up 8.16% year over year through October. She reported the following budgetary balances available in the various budget accounts: Tourist Bureau - \$100,000; Marketing - \$100,000; Convention Sales – 0; Development and Planning - \$50,000; Special Events Grants - \$320,000; Equestrian Center Promotion - \$20,000; Remaining to be spent in accordance with the TDC plan - \$76,245; TDC budget reserve - \$500,000; Special Revenue Fund - \$33,028; Development Account - \$4,407.938; Contingency Account - \$2,263,000.

It appears that approximately \$915,000 will be available at FY17-18 year-end wrap-up from extra revenue collections and unspent allocations that will be swept to the Development Account.

V. TDC Staffing Update

Council Member Lori Boyer gave the TDC Staff Search Subcommittee report. The subcommittee met on November 2nd and interviewed six candidates for the position of TDC Administrator and felt that 2 were superior to the other four. The top choice recommended to the TDC for hiring is Sara Maples. She is currently located in Washington D.C. and is willing to take a lower salary than she is currently making (within the approved range) to move back to Jacksonville. Diane Moser, Director of the Employee Benefits Department, will negotiate a salary once the TDC authorizes her to do so with the selected candidate.

Motion (Boyer): the TDC selects Sara Maples as the TDC Administrator and authorizes the offering of an employment contract to her by the Employee Services Department -

Public Comments – none

Ms. Maples spoke briefly about her work background and her interest in returning to Jacksonville where she previously lived.

Motion (Boyer): amend the previous motion to also recommend that Employee Services be permitted to negotiate the salary for the TDC Administrator position at a maximum starting salary of \$63,000 –

Councilor Patidar asked about the process for raising the salary range above the current maximum in the future. Chairman Bowman suggested implementing a 3-month probationary period with the option for a \$2,000 salary increase based on successful performance to be considered at the TDC's April meeting.

The **Boyer amendment was amended** to include the Bowman suggestion regarding a 3-month probationary period and the possibility for a \$2,000 raise at the TDC's discretion at the April 2019 meeting assuming satisfactory job performance.

The Boyer motion, as amended, was **approved unanimously**.

Ms. Boyer reported that the subcommittee will be meeting from 9 to 5 tomorrow to interview Executive Director candidates; other TDC members are welcome to attend. The subcommittee will be interviewing the top candidates recommended by the Employee Services Department from their review of qualifications and initial telephone interviews. Ms. Boyer invited suggestions from members for any particular questions that should be raised during the interviews.

VII. Visit Jacksonville Convention Grant Encumbrance Requests

Presenter: Sarina Wiechens, Visit Jacksonville

Total Encumbrance Request CVB Grant Fund FY 2018-2019: \$10,475.35

Total Room Nights: 2,997

6918th Security Squadron – 2019 Reunion

Hotel(s) Utilized: DoubleTree Hotel Jacksonville Airport

Event Date(s): November 7-10, 2019

Room nights: 200 (at \$5 per room)

Estimated Attendance: 100

Funds Use: Reception (food and non-alcoholic beverage)

Funds to be encumbered: \$1,000

Electric Power Research Institute – Winter 2019 Meeting

Hotel(s) Utilized: Omni Jacksonville

Event Date(s): February 18-22, 2019

Room nights: 247 (at \$4.05 per room)

Estimated Attendance: 100

Funds Use: A/V or Reception (food and non-alcoholic beverage)

Funds to be encumbered: \$1000.35

International Pentecostal Holiness Church – YouthQuest/Fine Arts Festival 2020

Hotel(s) Utilized: Hyatt Regency Jacksonville Riverfront

Event Date(s): July 17-22, 2020

Room nights: 1,725 (at \$3 per room)

Estimated Attendance: 1,750

Funds Use: A/V or Venue/Meeting Room Rental

Funds to be encumbered: \$5,175

Society for Music Theory – 2021 Annual Meeting

Hotel(s) Utilized: Hyatt Regency Jacksonville Riverfront

Event Date(s): November 3-7, 2021

Room nights: 825 (at \$4 per room)

Estimated Attendance: 300

Funds Use: A/V or Reception (food and non-alcoholic beverage)
Funds to be encumbered: \$3,300

Motion (Boyer): approve the 4 grant requests just described –

Public Comments – None

The Boyer motion was **approved 6-0-1** (with Dawn Southworth abstaining due to a conflict of interest due to her employment with the Omni hotel).

VIII. Special Event Grant Presentations

Council Member Boyer advocated for not spending the \$33,000 available in the TDC Special Revenue Fund on special event grants because that source has the fewest strings attached and can be used at the TDC's discretion to handle small expenses without further City Council action (i.e. historic walking tour wall- or ground-mounted signage). Kim Taylor described two potential additional funding sources that could be allocated to special event grants - the \$500,000 budgeted in anticipation of higher revenue collections during the year and the \$76,245 in the "remaining to be spent in accordance with the TDC Plan" line. Ms. Taylor indicated that the \$500,000 was an internal buffer put into the TDC's budget and could be utilized if it appears that the actual revenues will be on track to meet budgeted revenues. The group discussed use of marketing versus special event grants. Deputy General Counsel Lawsikia Hodges cautioned that if the funding source is changed from one category to another, the TDC needs to be sure that a proper application is filed and evaluated for the funding source selected. Councilor Patidar felt that the emailed applications he received this week were all worded so as to exactly parrot the language on the new application forms – they didn't seem to be spontaneous or creative.

2019 Gulf Coast Athletic Conference Men's/Women's Basketball Tournaments

Applicant: Edward Waters College

Presenter: Stanley Cromartie - Athletic Director, Henry Smith - Assistant Athletic Director

Event Date(s): February 28 – March 3, 2019

Location: EWC Adams-Jenkins Sports/Music Complex

Tourist Attendance: 5,000 (8,250 overall attendees)

Room nights: 250-300

Event Grant Amount: \$10,000

Funds Use: Southeast Regional Marketing (Birmingham, AL; New Orleans, LA; Jackson, MS; and Little Rock, AR).

Henry Smith of Edward Waters College said that EWC had previously hosted the GCAC tournament very successfully in 2012. Their plan for this year is to market the tournament and the City of Jacksonville throughout the southeastern states where GCAC schools are located. Two Florida sponsors have been obtained to help financially support the tournament. Council Member Boyer asked how the college will verify and document that at least 5,000 attendees will come to the event from out of the Jacksonville area. Mr. Smith said that color-coded ticket allotments and conference packages will be sold by each of the participating conference schools, which will document the attendance from out-of-town. In response to a question from Councilor Goodman about why the application is for a special event grant rather than a marketing grant, Mr. Smith said it resulted from the TDC's revisions of its application and grant criteria. Ms. Boyer explained the difference between the allowable uses of marketing versus special event grants. Ms. Hodges reiterated her earlier comments about applications being filled out and scored for the proper grant category.

THE PLAYERS Championship – Signature Event**Applicant:** THE PLAYERS Championship**Presenter:** Jared Rice, Executive Director**Event Date(s):** March 12 - 17, 2019**Location:** TPC Sawgrass**Tourist Attendance:** 200,000+ Total (including local) Attendees**Event Grant Amount:** \$250,000**Funds Use:** Marketing

Mr. Rice gave the presentation recapping the 2018 Players Championship. The tournament produced 200,000 in attendance, with 1,000 media outlets present and broadcasts in 23 languages. 58% of tickets were sold outside of Northeast Florida. The tournament produced 376 million total impressions and 45,789 million PR stories valued at \$96.4 million. The 8 Jacksonville vignettes shown by NBC during its telecasts had an estimated value of \$40-80 million. Marketing is targeted to 3 different tiers of US cities (based in part on non-stop flight availability and previous attendance from that market at the tournament) and to the international market. Total hotel room revenue for Players week grew 30% year over year between 2017 and 2018. Council Member Boyer asked if splitting the application into separate marketing and special event grants, with a decision on the marketing grant being deferred until the TDC's January meeting, would be problematic to the tournament. She believes the Players' current application contains all the information necessary for both types of grants, and could be processed this afternoon if the information was transferred to the other application form. With regard to the value of the hospitality chalets at the tournament, Rick Catlett of Gator Bowl Sports said that the chalets typically end up attracting local sponsors and are not as productive a use of the available funding as other marketing uses.

Florida State vs. Boise State Football**Applicant:** Gator Bowl Sports Events (JAXSPORTS)**Presenter:** Richard Catlett, President & CEO**Event Date(s):** August 30 – September 2, 2019**Location:** TIAA Bank Field**Tourist Attendance:** 25,000**Event Grant Amount:** \$125,000**Funds Use:** Event production expenses (i.e. sound equipment for a concert, infrastructure rentals, talent fee), and marketing expenses.

Rick Catlett said that Florida State University gets 100% of ticket revenues from the game so will be heavily marketing to Boise State and other out-of-town fans. Gator Bowl Sports is willing to defer a decision on its application until the TDC sees how revenue collections continue throughout the year; a decision by April 2019 will meet their time frame.

VIII. Joint Marketing Services/Special Events Grant Presentation**2019 Spartan Race Super, Sprint & Kid's Race****Applicant:** Airstream Ventures**Presenter:** Alan Verlander, Founder/CEO**Event Date(s):** February 22-24, 2019**Location:** WW Ranch Motocross

Tourist Attendance: 10,000 (7,000 room nights)
Event Grant Amount: \$165,000 – Total Grant Request
\$65,000 – Marketing Grant
\$100,000 – Special Event Grant

Funds Use: Marketing, Facebook Live stream and national broadcast, event rental and expenses

Alan Verlander said that the Spartan organization is bringing a different, more prestigious U.S. championship event to Jacksonville next year versus the 2018 event which produced nearly 9,830 room nights (close to 6,900 in hotels, the remainder short term rentals). The current application has changed from primarily marketing to primarily a special event grant compared to the application presented at the last meeting. Mr. Verlander talked about the economic impact of local purchases of food and beverage, building materials, etc. A US national championship event will be shown live on ESPN and Facebook Live, with Spartan having the ability to heavily influence the Jacksonville-related content to be aired. In response to a question from Council Member Boyer, Mr. Verlander explained how the proposed Spartan US championship event is similar to, but different and more prestigious than, last year's regional race, making it a different event for purposes of the deduction for multiple years funding the same event.

The meeting was in recess from 3:10 to 3:40 p.m. while the councilors scored the revised application forms for the several grant requests.

Councilor Patidar introduced Somen Debnath, a citizen of India who has been bicycling around the world since 2004 (146 countries thus far) on a 16-year trip to visit 191 countries and is passing through Jacksonville on his way from Antarctica to the North Pole via South, Central and North America.

The group agreed that all 3 applicants submitted compliant applications and were ready for consideration.

Council Member Boyer felt that the Edward Waters College application for the GCAC tournaments met the qualifications, albeit barely, and cautioned the applicant that if the 5,000 visitor minimum isn't met, the event will not qualify for any of the grant, which is payable as a reimbursement for actual expenses after the event. EWC will need documentation of the 5,000 tourists and actual expenses.

Motion (Patidar): approve the \$10,000 request for the GCAC basketball tournaments -

Public comment – none

The Patidar motion was **approved 6-0-1** (Councilor Southworth abstaining due to a conflict of interest).

The members read their scores on the GCAC application into the record.

The group agreed that both Players Championship applications meet the minimum threshold for consideration.

Motion (Boyer): approve a \$210,000 special event grant and a \$40,000 marketing grant for the 2019 Players Championship -

Motion (Patidar): approve a \$225,000 special event grant and no marketing grant –

Councilor Patidar said that the Players Championship did very well with a \$225,000 grant last year and the additional \$25,000 being requested could be put to other valuable uses by the TDC.

The Patidar amendment was **withdrawn**.

Public comment – none

The Boyer motion was **approved unanimously**.

The members read their scores for both Players Championship applications into the record.

The group agreed that the Spartan Race applications met the minimum criteria for consideration.

Motion (Goodman): approve a \$100,000 special event grant and \$65,000 marketing grant for the Spartan Race national championship event -

Motion (Boyer): approve a \$100,000 special event grant and \$60,000 marketing grant -

Public comment – none

The Boyer motion was **approved unanimously**.

Councilor Goodman noted that the TDC has now allocated all of its budgeted marketing funds for the year just 2 months into the fiscal year.

The councilors read their scores on the Spartan event applications into the record.

IX. 2018 Jacksonville Jazz Festival Follow-Up Report/Presentation

Brent Fine, COJ Special Events Manager, made the presentation on the 2018 event held over Memorial Day weekend. There were over 60,000 attendees and the economic impact was \$9.98 million and there were more than 2,300 attendees who paid for the VIP package. The UNF Survey Research Center surveyed 717 attendees (less than the 750 contracted for because of the rain on Sunday holding down attendance). 30% of the attendees came from outside the region (9,450) and 5,000 of those booked an estimated 8,120 hotel nights (the rest stayed with family and friends or short term rentals). 20% of attendees were first-time visitors to the festival and half were between 35 and 64 years old. Household income varied widely. 70% of attendees were locals, 30% from out of town. 75% of visitors from outside the region said that attending the Jazz Festival made them very likely to return to Jacksonville for a visit. Attendees rated their experience at the festival very highly.

X. Florida's First Coast of Golf

David Reese, President of FFCG, gave the quarterly update. FFCG's website has been refreshed to attract more attention and longer engagement of visitors with the site. Website traffic is up 32% for the calendar year to date. The cooperative advertising effort is 70% ahead of pace for the year. Marketing efforts are being particularly targeted at Atlanta, New York City/New Jersey, Washington D.C., Orlando and Boston as primary markets and at Chicago, Tampa, Philadelphia, Detroit and Charlotte as secondary markets. A new "Bunkers to Beaches" campaign is being developed. Earned media from promotions with the Players Championship, Jaguars and other special opportunities garnered over 23 million views with a value of over \$1 million in FY17-18. Northeast Florida led the state and exceeds the national

average in growth in rounds of golf played in July and August. Two media familiarization trips with German golf writers are upcoming in December and January.

XI. Visit Jacksonville Travel Plan Amendment Request

Sarina Wiechens of Visit Jacksonville requested 2 amendments to the previously approved FY18-19 Travel Plan: 1) reallocate the funds previously allocated to the VF Media and Consumer Event in New York in October 2018 to the Southeast Tourist Society's Media Market in Atlanta; and 2) the Destinations International Summit in December 2018 has been relocated from Chicago to New Orleans (no change in budget required).

Motion (Boyer): approve the 2 requested Visit Jax travel plan amendments -

Public Comments – none

The Boyer motion was **approved unanimously**.

XII. Tourist Bureau Services Contract October Results – Visit Jacksonville

Katie Mitura said that October was a very busy month. Visit Jax participated in two Florida/Georgia football festivals at the I-95 and I-75 state line visitor centers in conjunction with the teams' game in Jacksonville. The Beaches Visitor Center partnered with the Beaches Museum to host a beaches hospitality community luncheon for hoteliers to raise awareness of Beaches attractions.

XIII. Convention Sales & Services Contract October Results – Visit Jacksonville

Ms. Mitura introduced Jeanne Bothwell, the new Director of Convention Sales and Services. She said that room night production is coming in above target for the year, but room actualization is falling a bit short of the target thus far.

XIV. Marketing Services Contract October Results – Visit Jacksonville & Dalton Agency

In response to a question, Ms. Mitura said that Visit Jacksonville previously had a booth at Wembley Stadium in conjunction with the Jaguars' game in London, but decided against it this year. The experience in previous years has been that the booth tends to get lost in the overall NFL-dominated experience and didn't seem like the best use of funds. They felt they actually got better results from their efforts in conjunction with Shad Khan's Fulham Football Club. Visit Jax partnered with Visit Florida to host 10 influencers for a full day of exploring the 5 Points neighborhood. Advertising in Houston and Indianapolis to football fans for Jacksonville travel seems to have been successful. New content is being continually developed for the web site and several new projects will be unveiled in coming months.

VI. Tourist Development Grant Applications (postponed from earlier in the meeting)

Chairman Bowman felt that the applications still need some work to be useful to the TDC. Ms. Boyer said that the applications match the criteria and grading matrices that were adopted by the TDC and the City Council, so substantive changes can't be made without going through an approval process. She believes the applications were presented very generically and don't say much about the events their supporting. Councilor Goodman said that the current process puts a tremendous burden on the TDC board members to read the applications and fill out scoring matrices; she hopes that when staff have been hired they can do much of the leg work and make recommendations for the board to consider. The

current workload keeps the TDC from exercising its policy role because it is bogged down in the minutiae of application processing. Lawsikia Hodges said that the scoring mechanism is what it is because the Code was written with the idea that the TDC members would be doing the scoring themselves. Changing that process will likely require an Ordinance Code change.

Councilor Wilson suggested amending the form to have the TDC Executive Director review the applications and make a recommendation for the board to consider. He also suggested adding a requirement for the applicants to resume providing hard copies of the applications rather than submitting them electronically, since the TDC staff ends up printing them out anyway since board members seem to prefer that. The electronic distribution mechanism is problematic. Chairman Bowman said that he wants a hard and fast application deadline to be rigorously enforced. Councilor Boyer said that all relevant information should be provided with the application prior to the deadline and that applicants should not be making presentations at the meeting of information that is not in the application packet. The TDC meeting time should be devoted to questions and answers only, not full blown presentations. An applicant in the audience said that the application forms are easy to complete because they ask direct questions that can be answered succinctly, but don't offer much opportunity for elaboration. If the TDC wants more than just the bare bones application, then all applicants need the opportunity to make supplementary presentations. Sondra Fetner suggested that all application materials be compiled by staff into a physical binder or loaded onto a web page so that the TDC members can easily access and review the materials in a single batch. This will be much easier to do when application deadlines are rigorously enforced and materials are received well in advance of the meeting date. Ms. Boyer said that the Executive Director will be expected to review the application materials and withhold applications that don't meet the criteria from the agenda.

Chairman Bowman wrap-up: 1) enforce the application deadlines (December 27th for the January meeting), with materials provided to the TDC members two weeks prior to the meeting; 2) applicants appear at TDC to answer questions, not make presentations (5 minute maximum); 3) non-voting items need to be submitted a week prior to the TDC meeting.

Councilor Goodman advocated for staff providing hard copies of scoring sheets so that TDC members don't have to print out dozens of pages on their home printers. Councilor Boyer recommended that staff produce a large volume of generic scoring sheets that TDC members can take home for their use. Chairman Bowman said that he grades the applications on a legal pad and then transposes them to the official scoring sheets when he gets to the meeting. Rachel Merritt asked that the forms include a signature line for TDC members to sign for ease of identification and tracking.

Lawsikia Hodges asked if the scores should be averaged to get a single final score rather than individual members announcing their scores. Eventually there will come a time when some members rank an application above the minimum required score and others rank it below and more difficult decisions will need to be made. Eventually when an Executive Director is in place, the group will be expecting that person to evaluate applications for minimum criteria and to make funding recommendations to the board.

Motion (Boyer): change the application process to require applicants to provide 14 hard copies in addition to the original and electronic copy -

Public comment – none

The Boyer motion was **approved 6-1 (Patidar opposed)**.

The board clarified that agenda items from Visit Jacksonville that may require votes (but not grant application items) need to be submitted at least a week in advance of the TDC meeting.

X. Other Business

Councilor Boyer reported that Sondra Fetner has been working on travel policies and forms and needs the board's thinking about several policy issues before she can finalize the documents. If the board doesn't take them up today, then it will be at least February before they can go into effect, which is almost halfway through the fiscal year.

Ms. Fetner presented the first policy issue needing board elaboration: tourism-related travel and entertainment expenses, including alcohol purchases (for guests, not Visit Jax employees).

Sarina Wiechens asked the TDC to provide Visit Jax with a list of the questions to be discussed so that they can provide the rationale for why certain things are being proposed. Mr. Bowman said that the body would discuss these issues at the January meeting and that the questions be circulated at least 2 weeks in advance of that meeting. Ms. Wiechens asked for consideration of retroactivity when a policy is eventually adopted to cover expenses already being incurred during this fiscal year. Councilor Patidar suggested the need for a special meeting to address just this topic. Councilor Southworth suggested appointing a subcommittee to provide recommendations to the full TDC. Kim Taylor asked for clarification on whether the TDC intended for staff to be approving travel reimbursements for FY18-19 or should be holding them until the TDC adopts clarifying policies. Chairman Bowman and Ms. Boyer said that any travel that conforms to the City's travel policies and fits in the budget allocation for travel should clearly be reimbursable and wouldn't be a problem. The only sticking points are items like alcohol purchases and gifts. Chairman Bowman appointed a subcommittee composed of himself, Councilor Boyer and Councilor Southwood, trying to schedule a meeting before Thanksgiving. All members are invited to provide suggestions.

Ms. Boyer asked if the Chairman would schedule a special meeting of the TDC if the Employee Search Subcommittee identifies an Executive Director candidate after tomorrow's interviews; Mr. Bowman agreed that he would.

Ms. Boyer said that she had approached several companies in town about their potential interest in doing a market analysis study of the potential economic impact of an outdoor light and sound show. The Dalton Agency made a proposal at a cost of \$48,140. Moment Factory is preparing cost estimates for the sound and light show that should be completed in December. Several councilors felt that there wasn't really a need to do such a study since the City has already appropriated funding to purchase the system.

Michael Munz of the Dalton Agency said that his firm could do focus groups and other research to test consumer reaction to proposed content and could help to quantify potential return on investment (ROI). Councilor Boyer felt that the ROI information could be helpful to the TDC and the City Council in making the affirmative case for implementing such a program in light of other pressing needs in the city. Mr. Munz said that the study process would take 2 months from the OK to proceed. Ms. Boyer said that funding could either come from TDC's research budget or could be funneled through Visit Jacksonville.

XV. Public Comments

John Nooney thanked Chairman Bowman for appointing the Short Term Rentals Committee and recommended that the City enter into an agreement with Airbnb to collect the bed tax for short term rentals as they do in other counties. A contract with Airbnb could help show the growing impact of rentals around big events such as the Spartan Race and football games discussed earlier in the meeting.

XVI. Closing Comments

Subcommittee on Travel Policies to be scheduled; potential special TDC meeting to extend a hiring offer to an Executive Director if recommended tomorrow by the Subcommittee on Staff Hiring; full TDC meeting on January 10, 2019.

The meeting was adjourned at 5:50 p.m.

Jeff Clements, Council Research Division

Jeffc@coj.net 904-630-1405

Posted 11.13.18 5:00 p.m.