

DUVAL COUNTY TOURIST DEVELOPMENT COUNCIL MEETING MINUTES

Thursday, April 27, 2023, 10:00 a.m.

City Hall - Lynwood Roberts Room

TDC Members: City Council President Terrance Freeman (Chair), City Council Vice President Ron Salem (Vice Chair), City Council Member Aaron Bowman, Jitan Kuverji, Angela Phillips, Dennis Chan, Dennis Thompson, Joe Hindsley, and Mark VanLoh

TDC Staff: Carol Brock (Executive Director), Brett Nolan (Administrator), Phillip Peterson (Auditor), and Reece Wilson (Office of General Counsel)

I. Welcome and Call to Order

Vice Chair Salem

The meeting was called to order by Vice Chairman Salem at 10:01 a.m. and the attendees introduced themselves for the record. The Vice Chair announced that Chairman Freeman, Mr. VanLoh, Ms. Phillips, and Mr. Kuverji are unable to join us due to a work conflict, however, Ms. Phillips will join by phone although she will not be able to vote.

II. Public Comments Including Action Items

Vice Chair Salem

Public Comments: None

III. Approval of Minutes

Vice Chair Salem

The minutes of the March 16, 2023 TDC Special Meeting and the March 16, 2023 TDC Strategic Plan Subcommittee Meeting were **approved unanimously as distributed.**

IV. TDC Grant Requests

Carol Brock

A. 2023 Florida Fin Fest

Niko Costas

Ms. Brock introduced Niko Costas, owner of Real Time Entertainment & Management LLC. Ms. Brock gave a summary of the event, detailing that Real Time Entertainment & Management was requesting a marketing grant for \$10,000 and a special event grant for \$50,000, totaling \$60,000 to support the 2023 Florida Fin Fest at the SeaWalk Pavilion during September 15 – 16, 2023. The grant application scored a 46 out of 60 for both the marketing and special event.

Mr. Costas gave an overview of the event. The 2023 Florida Fin Fest is a free outdoor conservation, education, and music festival. It is a two day festival that features educational panel discussions from conservation and science experts, interactive hands-on experiential activities for all ages, as well as performances by musical artists. The festival facilitates recycling throughout the event and concludes with a beach clean-up. The event was held in 2021 and 2022, with 17,499 visitors last year, of which 5057 were tourists.

Motion (Bowman /2nd Chan): Approve Real Time Entertainment & Management to receive a marketing grant for \$10,000 and a special event grant for \$50,000 from the Tourist Development Council FY 22-23 Event Grants account for the 2023 Florida Fin Fest.

Mr. Bowman asked Ms. Brock about the economic impact of this event, more specifically how the TDC audits the past performances of yearly events, such as Florida Fin Fest, that ask the TDC for funding support. Ms. Brock explained the reimbursement process of TDC grants, detailing that in order to get reimbursement, the applicant must prove they satisfied the conditions of their contract. One component to be eligible for reimbursement is reaching the number of tourists from outside the 150-mile radius of Duval County that was specified in the applicant's grant agreement. The applicant must meet or exceed the guarantee in order to be reimbursed.

The motion was approved unanimously.

B. Jacksonville Offshore Diving and Fishing Reefs

Joe Kistel

Ms. Brock introduced Mr. Kistel, Media Producer with Kistel Media LLC, to discuss an upcoming grant request regarding Jacksonville offshore diving and fishing reefs. She reminded the board that Mr. Kistel came before the TDC in 2021 and was awarded a marketing grant of \$35,000 to promote fishing and scuba diving recreational opportunities off the coast of Jacksonville. When Mr. Kistel presented it to the board in 2021, the plan was to come back to the TDC to request additional dollars. Ms. Brock informed the board that this request is different from most grant requests because tracking hotel room nights and tourists can be a challenge.

Mr. Kistel gave a review of the results from the 2021 outreach campaign that was funded by TDC. The project received a lot of attention and set the foundation for the Coastal Jax Destination Outreach Platform. This

platform would be to design and publish an interactive website which would feature coastal Jacksonville fishing and diving destinations. Mr. Kistel would like to be considered for a multi-year grant request, totaling \$460,000 over the course of three years. Mr. Kistel's goal is to ask the TDC for this funding in the coming months.

Mr. Hindsley recalled supporting this grant request in 2021 with the understanding that it would be seed money to help expand this industry. However, Mr. Hindsley explained that the revenue of the TDC is collected through the bed tax, which then gets distributed through grants with the idea that these grant-supported events produce additional hotel room nights. He asked Mr. Kistel if the TDC is the only funding source for this project, citing the way the Florida First Coast of Golf receives funding through not just the TDC but surrounding counties, other private investments, and partnerships. Mr. Kistel detailed that he approached different organizations for funding support, but it has been a struggle to find meaningful impact to support this endeavor. The TDC would be the main funding support to get this three year project established.

Mr. Hindsley asked how hotels would benefit from this investment and what the return on investment would be. Mr. Kistel said it is a difficult question to answer and doesn't have the resources to answer. Mr. Kistel did cite that the saltwater fishing is a near ten million dollar industry annually according to the Fish and Wildlife Conservation Commission (FWC). Mr. Kistel continued by saying many counties in Florida, like Okaloosa County, have invested millions of dollars in offshore reef development. Duval County alone has 9 offshore reefs. While Mr. Kistel doesn't know to provide hard numbers in terms of hotel stays, he mentioned that other counties in Florida see a value in this industry through their investments.

Council Vice President Salem suggested Mr. Kistel examine how the other counties in Florida that support offshore reef development came up with criteria and numbers that support these projects.

Mr. Thompson would like to see something to back up the economic impact of this investment. He stated that it is difficult to support a request with no data presented to them and would like more information before he approves this funding request.

Mr. Kistel shared that there have been studies done on this in other counties. Mr. Kistel said he was unaware of any studies done in Northeast Florida but referenced ones done in Broward, Martin, Miami-Dade, Monroe, and Palm Beach counties, all which detail a strong economic impact in regard to offshore reef development.

Mr. Bowman asked if any charter fishing companies in the Jacksonville area go out to these reefs and if they could share any data to support this investment. Mr. Kistel answered by saying that more charters go out there but does not have any hard data. Mr. Bowman recommended to reach out to companies like these to help gather data.

V. TDC FY 23-24 Budget

Carol Brock

Ms. Brock gave an overview of the Tourist Development Council Fiscal Year 2023 – 2024 Budget. She explained that the Mayor's office asked for departments to maintain level funding given the upcoming mayor administration change in July. The TDC revenue was kept the same as last year's at \$9,600,000. Ms. Brock went line by line of the expenses, highlighting each of the categories: TDC Administration (\$301,250), Destination Experience (\$1,194,764), Marketing Services (\$4,212,800), Convention and Group Sales (\$1,610,000), Convention Grants, Sponsorships, Promotions (\$262,800), Planning and Research (\$150,000), Event Grants (\$1,441,250), Equestrian Center Grants (\$1), Development (\$250,000), Contingency (\$250,000), and Unallocated/Remaining to Spend (\$318,267).

She noted that there were salary increases in the TDC Administration category for the Executive Director and Administrator; increases in Destination Experience category due to the addition of the CoStar service; additional funding in the Planning and Research as request by the Strategic Plan Subcommittee; and that the Equestrian Center Grants has money that rolled over from last year and, at the request of its Executive Director, they did not need additional funding for the upcoming fiscal year - the \$1 is simply a place holder as to not lose that line item.

Mr. Bowman questioned Ms. Brock whether the Mayor's administration asking for a flat-line budget had an impact on the TDC's budget making process. Ms. Brock confirmed that overall, it did not. Mr. Bowman continued by asking Mr. Peterson about the \$9.6 million in revenue, which Mr. Bowman was surprised to see remain the same given the rise in hotel room nights and travel. Mr. Peterson explained this revenue number was provided by the Budget Office, however the TDC is on track to surpass ten million dollars by year end. While the Council Auditor's Office would likely recommend an increase in this revenue, the Budget Office must balance the TDC revenue with the other 4 cents to the city budget for paying off debt related to the TIAA Bank Stadium and other capital maintenance that occurs in the sports complex. Their analysis is done late in the budget process to be able to work with the most current data, which Mr. Peterson said happens around late May to early June. He suspects by the time the city budget is presented, that \$9.6 million amount would be higher, which only helps the Mayor's administration as it expands their budget capacity for paying off the stadium debt and maintenance of the sports complex accounts.

Ms. Brock added to the discussion that the Visit Jacksonville budget will be presented in detail at the June 2023 board meeting based on the amount of money that is approved by the TDC at this meeting. The Visit Jacksonville portion of the TDC budget is broken out in the four planning components of their plan, and while the bottom line won't change, they may need to vary the amounts between these components.

Council Vice President Salem asked Mr. Peterson about the total revenue from the Tourist Development Tax, more specifically, what happens if more revenue comes in than budgeted. Mr. Peterson explained how the funds get collected and allocated in their respective accounts.

Mr. Bowman followed up on this discussion clarifying that the TDC budget has nothing to do with the debt services on the stadium or the capitol maintenance at the sports complex. The TDC, the stadium, and the sports complex each get a third of the 6 cent Tourist Development Tax. Mr. Peterson added that all 6 cents come from the same revenue stream. The city is using the 9.6 million as the same revenue for the stadium and sports complex accounts, and to keep things consistent, that is why the budget office asked the TDC to flat-line its budget at 9.6 million.

Michael Corrigan with Visit Jacksonville explained that the Visit Jacksonville budget is also flat and once the TDC passes their budget, then Visit Jacksonville will provide a more detailed budget. Mr. Corrigan shares the notion that there will be an increase in TDC revenue and feels that leaving the numbers flat puts Visit Jacksonville at a disadvantage going into the next fiscal year.

Motion (Hindsley / 2nd Bowman): approve the TDC Fiscal Year 2023-2024 Budget as presented. - **approved unanimously.**

VI. Strategic Plan Subcommittee Report

**Angela Phillips
Dennis Thompson**

Vice Chairman Salem gave an overview of the charge of the subcommittee and introduced Angela Phillips via telephone. Mrs. Phillips, who chairs the Strategic Plan Subcommittee, provided the board with two points before introducing Mr. Thompson, who sits on the subcommittee. She wanted the TDC to understand that the subcommittee did not want to rush the process in getting a Request for Proposal (RFP) out for a TDC strategic plan. She also shared that the subcommittee recognized there were several parts of the 2022 TDC Strategic Plan RFP that aligned with things that Visit Jacksonville was already considering with a visitors survey.

Council Vice President Salem recognized Mr. Thompson, who highlighted that the RFP process was cumbersome, and it was not getting the responses the subcommittee had hoped for. With that, the subcommittee felt the most effective way to go about the formation of this strategic plan initiative would be to have Visit Jacksonville manage a Jacksonville Strategic Market Analysis and Visitor Profile not to exceed \$150,000 in TDC FY 22-23 funding, paid to Visit Jacksonville on a reimbursement basis. With Visit Jacksonville being the subject matter expert, they would be responsible for contracting out to an organization to conduct a strategic market analysis and visitor profile for the TDC. Mr. Thompson continued to explain that the subcommittee also requested \$150,000 be budgeted for next fiscal year for Phase 2 of the strategic plan which will focus on understanding what level investment is required to meaningfully advance tourism so that TDC can appropriately fund initiatives and save for future larger-scale opportunities.

Motion (Thompson / 2nd Chan): Approve the Strategic Plan Subcommittee's recommendation to the TDC to reallocate the funding that is currently in this fiscal year for conducting a strategic plan to be given to Visit Jacksonville to conduct a visitor survey not to exceed \$150,000 and payable on a reimbursement basis. - **approved unanimously.**

VII. Financial Report

Phillip Peterson

Assistant Council Auditor Phillip Peterson gave the financial report. TDC tax revenues for the 12 months ending March 2023 were \$10,624,622.67, a 15.13% increase over the 12 months ending March 2022. Revenue for March 2023 was \$4,949,738.82, up 12.08% from the same month in 2022. Actual collections for the fiscal year to date exceed the average monthly budgeted amount by \$426,218.82.

Mr. Peterson reviewed the budgetary balances as of December remaining in the TDC's contractual and operating accounts, they are: Destination Services - \$4; Marketing - \$0; Convention/Group Sales - \$0; Convention Grants, Sponsorships, and Promotions - \$357,571.85; Planning and Research - \$0; Event Grants - \$303,000; Development Account - \$1,871,075.63; Contingency Account - \$1,006,060; Equestrian Center Promotion - \$23,691.05;

Remaining to be Spent in Accordance with the TDC Plan – TDC Operations - \$2,253,376; TDC Administration - \$147,506.29; and the Special Revenue Fund - \$131,267.50.

Mr. Bowman asked for clarification on the growth the county has experienced with hotel rooms and if that growth is sustainable or out of the ordinary. Mr. Corrigan shared that he believes that legacy tourists and select service hotel properties have played a role in that these are tourists who would not have regularly visited Jacksonville, but after they do, they continue to keep coming back to visit. Mr. Hindsley added the city took advantage of the influx of people visiting Florida post pandemic and was able to capture a lot of tourists into Duval County because of the affordability and things to do that are not comparable to other counties in Florida. Mr. Hindsley recommended to continue to look at data, such as car rentals to track leisure travel into the Duval. Additionally, he shared that convention and group travel is still not back to levels pre COVID-19, which poses a challenge for the industry, but remains optimistic overall for the industry's health in the city.

Ms. Brock reminded the board that the grant obligation for the multi-year UNF NCAA Track & Field East Preliminary special event grant for 2023 was budgeted for \$175,000. Furthermore, the agreement stated should the LED video display board be installed prior to the event, then the grant obligation would be reduced by \$25,000. Ms. Brock provided an update that the video board is planned for completion prior to this event in late May, which will result in the reduction should it be complete.

VIII. Visit Jacksonville Update

Michael Corrigan

Council Vice President Salem introduced Michael Corrigan with Visit Jacksonville to give the required quarterly report. Mr. Corrigan shared the significant quarterly two accomplishments. This includes the new "Flip Side of Florida" campaign for marketing Jacksonville that was approved by the TDC in March. Mr. Corrigan announced the campaign was performing very well and looks forward to its success. Additionally, Mr. Corrigan briefed the board on industry related legislation within the Florida Legislature, which he spoke against. He detailed that this legislation would defund Visit Florida, which would hinder Visit Jacksonville's ability to perform as the city's destination marketing organization.

He continued the update by inviting TDC members to celebrate National Travel and Tourism Week, May 7-13, 2023 by participating in various events going on throughout the week.

IX. Equestrian Center Update

Tim Jones

Vice Chair Salem introduced the Executive Director of the Jacksonville Equestrian Center, Tim Jones. Mr. Jones shared with the board that currently the equestrian center has four qualifying horse shows (three are returning shows and one is a new show) planned for Fiscal Year 22-23, which totals in \$12,755 in TDC grant funding. Mr. Jones explained that these four shows represent a combined total of \$183,000 in direct revenue for the equestrian center and approximately \$1.3 million in economic impact. Their program is performing well even though some of the bigger horse shows were lost due to the World Equestrian Center opening in Ocala. Mr. Jones also told the board that their Horse Therapy Program is doing well, they anticipate opening a summer camp this year, and the equestrian center had upgrades to allow them to provide food services. The equestrian center is working with the city to upgrade the lights at the center to LED and the center is updating their stalls too.

Mr. Bowman asked what synergies would be created with the fairgrounds moving adjacent to the equestrian center. Mr. Jones answered that they have been in many discussions with the Greater Jacksonville Agricultural Fair board and the Jacksonville Equestrian Center board is looking forward to the fairgrounds moving location next door.

X. Florida Restaurant and Lodging Association Legislative Update

Nicole Chapman

Council Vice President Salem introduced Nicole Chapman, Northeast Florida Regional Director of the Florida Restaurant and Lodging Association, to provide a legislative update of the Florida Legislative Session that is closing soon. Ms. Chapman shared an overview of the top issues that are impacting local restaurants, lodging, and other tourist related industries in the region.

XI. Closing Comments and Adjournment

Vice Chairman Salem

Council Vice President Salem asked the board if there is any new business to which Mr. Hindsley announced his resignation from the Tourist Development Council and his retirement from the Hyatt company after 40 years of service. Mr. Hindsley thanked the TDC for his experiences he had while on the board since 2021.

In closing, Vice Chair Salem reminded the members that the next regular meeting will be on June 8, 2023.

The meeting was adjourned at 11:24 a.m.

Meeting Minutes respectfully submitted by Brett Nolan, TDC Administrator.

These minutes were approved at the TDC Regular Board meeting on June 8, 2023.



TOURIST DEVELOPMENT COUNCIL REGULAR MEETING

Thursday, April 27, 2023, 10:00 a.m.



Attendance Record Sign-In Sheet

NAME/JOB TITLE	ORGANIZATION	PHONE	E-MAIL
Tim Jones Exec Dir	TAX Eq CTR	904-355-4225	TimJones@COJ.net
Dave Reese	FEEG	904.607.3204	david@FLA-sfp.org
Nick Chapman	FLUA	904-574-7259	NChapman@FLA.org
Niko Costas	RTEAM	904-861-8128	NIKO@RTEAM.NET
Chris Anderson	RTE-AM	252-564-0088	CHRIS@RTEAM.NET
Sara Wiechers	Visit Day	904-421-9552	
Jeanne Goldschmidt			
Kathie Wirtz			
Courtney Gumbinger			
Joe Kistel	Kistel Mediq City Council	904-463-2722	Joe@KistelMediq.com
Melissa	City Council		
Ron Salum	City Council		
Garb Gans	DTJAY		JAR@DTJAY.ORG
Emily Bellock	THE PLAYERS	860 944 9556	emilybellock@papatourhg.com
Stoney Cozier	BEA	CH	stoneycozier.net
Aaron Bussman	City Councilman		



TOURIST DEVELOPMENT COUNCIL REGULAR MEETING

Thursday, April 27, 2023, 10:00 a.m.

Attendance Record Sign-In Sheet



PRINT NAME	SIGNATURE
CP Terrance Freeman, TDC Chair	
CVP Ron Salem, TDC Vice Chair	<i>Ron Salem</i>
CM Aaron Bowman	<i>Aaron Bowman</i>
Mark VanLoh, TDC Member	
Jitan Kuverji, TDC Member	
Angela Phillips, TDC Member	
Dennis Chan, TDC Member	<i>DC</i>
Joe Hindsley, TDC Member	<i>Joe Hindsley</i>
Dennis Thompson, TDC Member	<i>Dennis Thompson</i>
Carol Brock, TDC Executive Director	<i>Carol Brock</i>
Brett Nolan, TDC Administrator	<i>Brett Nolan</i>
Phillip Peterson, Asst. Council Auditor	
Reece Wilson, OGC	