



**Sports & Entertainment Commission Meeting
City Hall at St. James Building
Lynwood Roberts Room**

Tuesday, April 9, 2013 - 8:00 a.m.

MEETING MINUTES

Members Present- Chair Ron Salem, Carl Cannon, Wilfredo Gonzalez, Pamela Payne, Rick Wilkins, Lonnie Marts

Staff Present- Alan Verlander, Joel Lamp, Gayle Petrie-OGC

CALL TO ORDER:

The meeting was called to order by Chair Salem at 8:02 a.m.

APPROVAL OF MINUTES:

A motion to approve the March minutes was made by Chair Salem seconded by Cannon and was approved unanimously by the board.

OLD BUSINESS:

Florida-Florida State Baseball

- Verlander stated this was the first time the game was played at the Jacksonville Baseball Grounds field now known as Bragan Field. We are currently working with SMG on a financial settlement. In previous years we have deposited \$20,000-\$40,000 into our trust fund.

UPCOMING EVENTS:

Florida Sports Hall of Fame

- Verlander stated that we are partners with them, not in contract, but in assisting with the event. All the finances of the event are run through their account. Our goal is to make money for the FSHOF, and by doing so, FSHOF would donate some of the proceeds to our Sports Trust Fund. Before we could accept a check, the Board would approve the acceptance.
- The event has been moved from its original date, April 27th, due to a conflict involving Chipper Jones' schedule. We have a conference call the FSHOF Board today to finalize a new date for the event, probably in May.

First Coast Kids Triathlon

- Verlander stated that Jacksonville holds the nation's largest kids triathlon. We have no financial consideration with the event; we are just promoting the event to help support their cause.
- The event is to be held at JU, Saturday May 4th & 5th. It is a regional event with an estimated 3,000 participants. There is a potential for TV coverage with NBC Sports Network.



The Players

- Verlander states the event is a month away. We have been compiling many action groups and alliances within the city on ways to bring a frenzy to downtown with the Players (Downtown Alliance). These city agencies plan on meeting regularly to discuss ways to join together to support our events in Jacksonville. There is no funding from the Sports & Entertainment Board for this.

Outstanding Bids:

SEC Women's Basketball

- Verlander states Lamp and himself traveled to the SEC Women's Tournament in Atlanta. They met with every AD and every Senior Women's Administrator in attendance. They expressed they have real interest in Jacksonville and bringing the event to Florida. Alan stated the upside of bringing the event to Jacksonville, including our SEC alumni groups in Jacksonville. They vote on this matter in their spring meetings in Destin, FL. As a city we have no risk, only upside.

SEC Women's Gymnastics

- Verlander states this is similar to the Women's Basketball Tournament. We have hosted the event previously through the Gator Bowl Association. We had a site visit last week. They viewed our arena and stated it as "top-shelf." The event would be a shared deal with a contract through SMG. The event is televised. This year's event in Arkansas attracted 6,000 fans, most of which traveled.

National Volleyball Invitational

- Verlander stated the concept of this event is to have it mirror the NIT in basketball. Lamp stated the NCAA put a law in place that makes all postseason events their claim. The NVI has withdrawn their request to come to Jacksonville because they are not currently going anywhere at the moment. They are waiting to see how the NCAA wants to handle the postseason events. There is talk about having a preseason event in Jacksonville.

New Business:

Florida-Georgia Hall of Fame

- Verlander stated we had the Hall of Fame meeting with Danny Wuerffel. Both Athletic Directors feel we need to start doing something different. If we have nothing at the end of April, we will reassess.

Curling

- Lamp stated we found out there is a former Olympic curler living in Ft. Meyers and a small curling club in Miami. We are working on getting them to Jacksonville to garner some ideas on setting up the event and their thoughts. There are TV opportunities, and the bid is due in June. Verlander stated as a Board it is our duty to show support for all events, ranging from football to curling.

Navy Marine Corps Classic:

- Alan stated the NMCC was the cornerstone for the Week of Valor. We built this event in conjunction with Military Affairs in the hopes of showcasing that Jacksonville as a military town. One of the major upsides of the event was having the Secretary of the



Navy in Jacksonville three times in four months. One expense of ours was programming 8,000 tickets for military officers. Our Veterans Day parade is the largest in the country; over 50,000 attended. 10,000 attendants at the concert, 8,000 of which were military. The game was a sellout; national exposure was gained by NBC Sports Network as well as multiple other outlets (NY Times, Washington Post, USA Today, CBSSports.com, Associated Press). This was the first event we put on that was not in a city venue.

- Verlander stated there were many positives but multiple challenges as well. We thought going into the event was to be held on a nuclear air craft carrier, but were awarded an amphibious carrier. This cut our seating capacity from 8,000 to 3,500. The event lost \$700,000 despite selling-out our ticket allotment and sponsorships. The only additional action we could have taken was to sell a title sponsor above the Navy-Marine Corps Classic. We attempted to sell this title sponsor but were unsuccessful due to certain timeline constraints.
- Other challenges were will call for tickets and concessions. We had to hire risk/insurance consultants not previously planned or budgeted. Final challenge was only 20 minutes of basketball as opposed to 40. We were banking on the extra sale of merchandise and concessions during the second half. Also, the winner of the game typically purchases the remaining merchandise to keep as a memento of the event.
- Verlander stated there were three primary lessons learned:
 - We can successfully execute an event of this size and magnitude with proper planning and process in place.
 - We must have an event team in place from day one that encompasses all the departments that play a role in the event. This includes getting OGC & the Mayor's Office involved. These entities were involved, but certainly was not an event team aspect.
 - Sports & Entertainment Board must have a clearer role in oversight of the event as it relates to what accounts we are going to use.
- Verlander stated that contrary to public perception the money was not out of the general fund, no city money was spent, it was all out of our trust fund.
- Chair Salem stated he attended all the events and they were all well run. He asked Verlander what his thought process was leading up to the event once we started seeing all these expenses accumulate. Verlander replied that we were still hopeful one-week prior to the game that we would have a title sponsor, which would have made us financially solvent.
- Marts brought up the additional selling of concessions and merchandise that was forfeited since the game was cut short. Verlander stated these sales would have obviously aided the financial outcome of the event.
- Cannon stated that it seemed that the game was 25% of the effort, while 75% was the impact on the military; however, the Board is 100% responsible for the loss. He stated we could have been profitable had we held the game in the Arena, but the intrigue of the event would have been lost. He suggested that in the future if we take on 100% of the risk, we need to consider having some of the responsibility money-wise from Military Affairs by creating a back stop somewhere in the budget.



- Chair Salem stated we have had events in the Arena that were successful and had limited liability. If we were to put on an event of this magnitude again, a back stop needs to be created that could limit our liability and losses.
- Payne asked at what point Verlander was notified that the carrier would be smaller than anticipated and when ticket sales commenced. Verlander stated at the end of July he was notified and ticket sales had already begun. Ticket sales were run through our office, not Ticketmaster, in addition to putting all the pieces together to run the game.
- Chair Salem asked if we would like to host the event again. Verlander stated we are looking at another game. In order for us to host another game and partner with the Navy we must present them with a proposal. The proposal has not been sent. There is an opportunity to move the game to a hangar or the Arena, which would eliminate most risk. Verlander reminds the group that the goal is to honor the military.

Board's Official Role:

- Chair Salem stated that the Board has to approve all money coming in and out of the trust fund. Any contracts encumbered secondary to the trust fund also need to be presented to the Board.
- Chair Salem stated there are dollars that the City allows Verlander to spend and asks who else can remove dollars from the trust fund other than people of the Board. The compiled answer was nobody can remove dollars from the fund without approval from the Board. Secondly, a contract does not have to be approved from the Board when trust fund money is not used. Cannon expressed concern about the possibility of not hearing about certain events that Verlander does not necessarily have to present to the Board for approval. Verlander stated there are certain events that we budget for every year (Florida-Georgia HOF, etc). He added Jacksonville is at a competitive disadvantage because once our bid is submitted, it becomes a public document. Now other cities can now view our bid and determine how to construct their own.
- Chair Salem brought up contracts on the Florida-Georgia game, which is new to the Board. The trust fund is not used for the game. Cannon suggests for agenda purposes, breaking the sections down to sift through what is the trust fund and what is not. Verlander stated we can have three categories: trust fund, general fund, & SMG. A fourth subcategory was suggested, "community events." Verlander suggested that moving forward, if there is a contract that involves sports trust, we need to call emergency meetings. These must be public meetings, not telephone or Skype calls.
- Vacancies on the Board still exist. There must be at least 5 members present at a meeting to be an official quorum and there are currently only six members on the Board.
- Chair Salem says the next meeting will be moved to May 21st.

MEETING ADJOURNED:

- Chair Salem stated that the next meeting is to be held tentatively on May 21, 2013. The meeting adjourned at 9:24 a.m.