

TOURIST DEVELOPMENT COUNCIL MEETING MINUTES

Thursday, June 30, 2022, 10:00 a.m.
City Hall - Lynwood Roberts Room

TDC Members Present: City Council President Sam Newby (Chair), City Council Member Aaron Bowman, Jeff Truhlar, Dennis Chan, Dennis Thompson, Joe Hindsley, Mark VanLoh

TDC Staff Present: Carol Brock (Executive Director), Phillip Peterson (Council Auditor's Office), Lawsikia Hodges (Office of General Counsel), Jeff Clements (Council Research Division)

VJ Staff Present: Michael Corrigan (Executive Director)

WELCOME

- **Call to Order**
Chair Newby called the meeting to order at 10:00 a.m. and welcomed new TDC member Mark VanLoh and incoming TDC member Council Vice-President Elect Ron Salem.
- **Public Comments** - none

OPERATIONS

1) Approval Minutes

The minutes of the April 21, 2022 TDC Meeting were **approved unanimously as distributed**.

2) Financial Report

Phillip Peterson of the Council Auditor's Office presented the financial report. TDC tax revenues for the 12 months ending May 2022 were \$9,825,263.71, a 62.31% increase over the 12 months ending May 2021. Collections for the first 8 months of the fiscal year ending May 2022 were \$6,542,681.37, up by \$2,274,943.71 or 53.31% over the same period the previous year. Revenue for May 2022 was \$1,083,987.32, up 35.62% from the same month in 2021, and an all-time record for a single month, surpassing the record set in April. Actual collections for the fiscal year to date exceed the budgeted amount by \$1,868,828.87. Mr. Truhlar asked about the growth projection percentages being used and said that hotel demand in South Florida is dropping so the TDC needs to be conservative about projecting revenues through the end of the fiscal year.

Mr. Peterson reviewed the budgetary balances remaining in the TDC's contractual and operating accounts. Destination Services - \$578; Marketing - \$62,283; Convention/Group Sales - \$432; Planning and Research - \$42,500; Event Grants - \$17,000; Remaining to be Spent in Accordance with the TDC Plan – TDC Operations - \$200,309; TDC Administration - \$98,458.52; Convention Grants - \$283,307.59; Equestrian Center Promotion - \$25,546.05; Special Revenue Fund - \$118,912.50; Contingency Account - \$1,273,000; Development Account - \$1,404,135.63.

3) Market Report

TDC Executive Director Carol Brock gave the market report, referring to the trend charts in the handout materials. Mr. Hindsley said that hoteliers are seeing some softening in the market as the initial post-COVID travel surge wanes. Lots of people have visited Jacksonville who hadn't been here before the pandemic so that's a positive outcome of COVID. Mr. Truhlar said the market is cooling off but Jacksonville has the advantage of being more of a drive-to market than a flying market like South Florida, so that makes our prospects somewhat more positive. Michael Corrigan of Visit Jacksonville Inc. agreed with the hoteliers that everything is good right now, but it is unknown how long this level of recovery will last. Council Member Bowman asked what the first-time visitors to Jacksonville are seeing and doing. Mr. Corrigan said Jacksonville's number one attraction is the St. Johns Town Center, which has surpassed the Jacksonville Zoo as the number one attraction in town, along with the beach. Visitors spread-out around town and do a variety of things since we don't have one dominant, must-see attraction.

Mr. Thompson suggested that it is time to start developing a vision plan for TDC and investing existing funds toward specific goals rather than just being reactive to whatever proposals that come before the board.

ACTION ITEMS

4) TDC Grant Requests

• Florida Fin Fest – Special Event Grant

Ms. Brock explained that this is a first-time request from a new organization that is making a special event grant request of \$60,000 for venue rental, speaker and talent fees and marketing outside of Jacksonville. Niko Costas and Lukas Costas, the event organizers, described the ocean conservation and music festival. Ms. Brock said she scored the application at 51 out of 60 points and recommended approval of the full amount of the requested grant.

Motion (Truhlar/2nd VanLoh) – assign an application score of 51 and approve the special event grant of \$60,000 as requested from the “unallocated - remaining to be spent” budget – **approved unanimously.**

• Constellation Furyk & Friends – Marketing and Special Event Grants

Ms. Brock explained that the tournament organizers are requesting a \$25,000 marketing grant and \$75,000 special event grant. This is their second year requesting grant dollars. Ms. Brock scored the applications at 49 of 60 in marketing and 50 of 60 in special events and recommended full funding of the requested grants. Adam Renfro, tournament director, described the tournament and concert event at Daily’s Place and reported that the tournament distributed \$1.17 million to charities in the first year.

Motion (Hindsley/2nd Thompson) – assign application scores of 49 (marketing) and 50 (special events) and approve the \$25,000 marketing and \$75,000 special event grant as requested from the “unallocated – remaining to be spent” budget – **approved unanimously.**

5) FY2022-23 TDC Proposed Budget

Ms. Brock reviewed a chart with FY21-22 adopted budget and two proposed FY22-23 budgets, one based on \$9.6M in revenues and another based on \$10M in revenues. She asked for the reinstatement of the TDC administrator position, approved yesterday by the Mayor’s Budget Review Committee. She included funding for equipment and training for the new administrator as well as professional development for the executive director. Visit Jax has requested a 1% administrative fee on its contract amounts. Ms. Brock will work with OGC and Auditors to ensure the fee meets the state and local guidelines and place parameters on the 1% fee. Florida First Coast of Golf requested a larger allocation this year. Event grants are increased because of additional revenue but the allocation would be the same for either the \$9.6M or \$10M budget. The Equestrian Center promotion allocation is being reduced because they will have a large carry-over from the current year. She noted that there was funding in the budget for a TDC strategic plan a couple of years ago that got put on hold by the COVID pandemic and suggested that it may be time for TDC to revisit that subject.

Mr. Truhlar asked if there is a budget item to procure visitor data from Longwood. Ms. Brock said the TDC received some data from Visit Jax but it is not budgeted for next year. The Longwood report is more historical in nature rather than providing trends and projections. Mr. Truhlar said there are several options in the market for capturing future trends and projections. Michael Corrigan said Visit Jax would be happy to explore options and discuss its findings at a future meeting. Council Member Bowman asked if there is anything preventing TDC from advertising for the administrator position right now using available resources. He said if the TDC waits until the next budget goes into effect in October then it won’t be able to practically hire someone until possibly months later. Phillip Peterson said funds could be allocated from available TDC resources to hire someone for a couple of months before the end of this fiscal year, but that would require City Council action to increase the City’s

employee cap by 1 to accommodate the new hire. Mr. Bowman said he wants to get started with increasing the cap and getting the Employee Services Department to start advertising to move the hiring process along.

Motion (Bowman/2nd Thompson): TDC authorizes the Office of General Counsel to draft and introduce legislation on a one cycle basis to transfer available unallocated funds to the appropriate expenditure account and direct the Employee Services Department to start the advertising and hiring process for a TDC administrator

Public Comment – none

Mr. Thompson asked if there is a way to hire a temporary or contract employee on a short-term basis to get someone started immediately. Ms. Brock said there is still a need for the City's employee cap to be increased; she will check on the feasibility of hiring a temporary or contract employee. Mr. Peterson and Ms. Brock will look for funds in the existing budget and if sufficient funds are available then they will have the General Counsel's Office draft and file legislation for the employee cap increase without a fund transfer.

The Bowman motion was approved unanimously.

Mr. Bowman said that THE PLAYERS Championship and Furyk and Friends golf tournaments bring in lots of corporate clients and the City is leveraging this recruiting opportunity by connecting potential clients. He asked what the City could do to connect with and pitch these important people on Jacksonville's opportunities. Mr. Corrigan agreed that there is an untapped opportunity. He recommended more coordination between Visit Jax and the JaxUSA Partnership at THE PLAYERS Championship like they had for the first year of Furyk and Friends to connect City officials with corporate visitors. Mr. Bowman said he will work with Ms. Brock, Visit Jax and THE PLAYERS Championship to brainstorm possibilities for developing better connections.

Motion (Bowman/2nd Truhlar) – approve the TDC FY22-23 budget as proposed – **approved unanimously.**

6) TDC Fund Balance

Ms. Brock asked that this item be deferred to the next meeting when new Council President and TDC Chair Terrance Freeman will be present for discussion. Mr. Peterson said that the TDC's fund balance has been growing during the COVID period from \$2M to something more substantial for this year and revenues are coming in strongly, growing those reserves even more. The audited FY20-21 year-end figures will be available by the next meeting for discussion. Ms. Brock suggested that a subcommittee of TDC would be appropriate to look at available reserve funds and what would be appropriate uses. Mr. Thompson said he believes a strategic plan is the way to go to drive decision making into the future and develop a concrete vision of where the TDC wants to go. He believes there needs to be a hotelier on the subcommittee to get that industry's perspective on what is needed and how available funds could best be used.

7) Direct Contract Update

Ms. Brock said there will need to be a special TDC meeting in September (probably the 13th on a Council day) for one action item to approve the direct contract with Visit Jax, assuming City Council approves that concept via a bill to be filed in July and presumably passed in August. The direct contract could be in place on October 1 if everything is approved timely. She reviewed a table comparing the current RFP for marketing, convention, and tourist services with a proposed direct contract with Visit Jax. The current contract is very cumbersome and time consuming to administer so the new contract, if approved, would be simplified. Mr. Corrigan thanked Ms. Brock for her work on the direct contracting concept. The new contract will keep the transparency of the current contracts but provide much more flexibility and ability for quick reaction to TDC's direction. The Visit Jax board approved the direct contract concept at its last meeting. Ms. Brock reviewed changes needed in the Ordinance Codes 70, 111, 666, the travel policy, CVB grant contract, and grant guidelines in order to implement the direct contract concept.

Motion (Thompson/2nd VanLoh) – 1) approve the proposed Ordinance Code revisions and direct contracts with Visit Jacksonville to perform services in accordance with the Tourist Development Plan and 2) authorize the Office of General Counsel to file appropriate legislation to obtain City Council approval and authority for the Mayor to execute the direct contracts with Visit Jacksonville and any amendments thereto, subject to TDC approval – **approved unanimously**.

Motion (Hindsley/2nd Truhlar) – the TDC approves the revisions to the travel guidelines and the CVB guidelines as presented – **approved unanimously**.

DISCUSSION ITEMS

8) Recap from Grant Recipients

- **UNF Track and Field Infrastructure:** Nick Morrow, Athletic Director at the University of North Florida, reviewed the history of TDC support for infrastructure improvements at UNF's Hodges Stadium for track and field events, which have been a tremendous success over the last several years. The university needed to resurface the competition and practice tracks and TDC provided funding for those upgrades. Seven major events have been hosted since the infrastructure work, including the Big Ten Conference Championship, FHSAA high school championship, NCAA East Regional Meet, American Track League professional pre-Olympic meet, and the US Junior Olympics. The event collectively produced 35,000 room night bookings and \$30 million of economic impact. Professional track athletes now live and train in Jacksonville because of the quality of the UNF facility and Jacksonville has become a national and international hub for track and field. UNF's Ervin Lewis has been elected Chair of the NCAA's track and field and cross-country division, so is influential at the highest level of intercollegiate track and field. UNF is looking at creating new events, not just hosting others' events. They want to create a national collegiate spring break track meet to attract teams from around the country to stay in Jacksonville for a full week of practice and have a prestigious meet at the end of the week. They are also looking at moving UNF soccer out of Hodges Stadium so they can hold track and field events there year-round.
- **2022 Springing the Blues:** deferred to August meeting.
- **2022 Spartan Championship:** deferred to August meeting.

9) Visit Jacksonville Update

Michael Corrigan thanked his staff for giving the Visit Jax update at the last meeting while he was unavailable. He said the downtown visitor center video wall project is progressing and installation will happen soon; content is being developed now. Visit Jax has negotiated with Visit Florida for a lower membership fee increase this year, rising to the full amount next fiscal year. Visit Jax has been very engaged with Carol Brock on multiple fronts and she has been attending some of their events to meet important travel industry representatives. They have found that area hoteliers want and need additional marketing assistance from the TDC and Visit Jax to supplement what they can do on their own. Mr. Corrigan said he has met with ASM Global's marketing team for Jacksonville's public event facilities to develop a partnership and a unified vision for what Jacksonville can be in the events marketplace. Visit Jax is very excited by the new direct contract concept. He agreed that track and field at UNF has been a tremendous success and the NCAA regional meets have sold out most of the hotel rooms in the city. He thinks it's time to actively pursue more NCAA basketball tournament first and second round games through the joint efforts of the City, TDC, Visit Jax and ASM. He thanked Council President Newby for being a great chair of TDC and said he is looking forward to the next chairman's term.

Council Member Bowman said Jacksonville missed out on a big opportunity to host the Army-Navy game which just announced 5 host cities for the games in 2023 through 2027. Mr. Corrigan said Jacksonville is ready to do something major in the sports world and the TDC has the resources to help make something big happen. Incoming Council Vice President Ron Salem asked about the normal NCAA basketball tournament site rotation and why Jacksonville has missed out on hosting games in recent years. Mr. Corrigan said the NCAA wants to have more games in the western United States and wants to have more HBCU's (Historically Black Colleges and Universities) host the games. Now that Edward Waters University is moving up from NAIA to NCAA Division II

status, that should help get Jacksonville back on the radar to host games. COVID pushed everything back several years so it will be at least 5 years or more before Jacksonville gets back on the NCAA's schedule. Mr. Salem asked if TDC has had any involvement in the recently announced Bethune Cookman-Jackson State football game. Ms. Brock said she has not been contacted. Mr. Corrigan said the City's Sports and Entertainment Office is responsible for arranging that game, but he anticipates that they will be coming to TDC for funds. Ervin Lewis said Jacksonville is on the NCAA's radar, but the city needs to go to events in other cities for the sports it wants to attract in order to meet the decision makers, make its case and sell the city as an event site. Cities are becoming more competitive for events, and it takes a lot of selling and a lot of investment to make events bigger and better to attract the NCAA. Mr. Corrigan said that sports tourism operates very differently than other kinds of group sales. Sports events don't do contractual room blocks like conventions and meetings, so it's a very different model for how to attract that business.

10) Feasibility Study for Direct Flights to Europe

Mr. Corrigan said Visit Jax believes that it's time for a feasibility study to be performed to determine whether there's a viable market for direct flights to Great Britain from Jacksonville. The TDC has available funds in its budget for a study that would determine what it would cost to get direct service to London started and how much it would cost to keep it thereafter. It will entail a substantial investment and the city can't afford to fail at its first try because getting a second try thereafter would be very difficult.

CLOSING BUSINESS

- Carol Brock presented Chairman Newby with a gift in recognition of his year as TDC Chair. Mr. Newby thanked his board members and appreciates the assistance of his Council colleagues this past year.
- Meeting adjourned 11:36 a.m.

These meeting minutes unanimously approved at the TDC meeting on September 14, 2022.

Next Meeting: Thursday, August 11, 2022, 10:00 a.m., City Hall - Lynwood Roberts Room
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TOURIST DEVELOPMENT COUNCIL MEETING

Thursday, June 30, 2022



Attendance Record Sign-In Sheet

NAME/JOB TITLE	ORGANIZATION	PHONE	E-MAIL
Tim Jones EXEC DIR	JAY EQUESTRIAN CTR	355-4254	TimJones@coj.net
Candice Barnes Assistant	JAY EQUESTRIAN	355-4227	cbarnes@coj.net
Nick Morrow UNF AD	UNIV of NORTH Florida	904-2583	Nick.morrow@unf.edu
Ervin Lewis UNF	UNF	252-9511	E.Lewis@unf.edu
Adam Renfroe	Jim + Tasha Fungyle Foundation	252 9515	adam@fungyleandfriends.com
Wendy Lyndal	JAA		
Niko Costas owner	RTEAM	861-8128	NIKO@REALTIMEMANAGEMENT.NET
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Katie Mitura	Visit Jay	904-421-9160	kmitura@visitjacksonville.com
Serina Wiechers			
Michael Corrigan			
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Barrie Ford-Hards CC	City Com	255-5179	
Jan Quekwaan	DMSP	3985222	









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Attendance Record Sign-In Sheet



PRINT NAME	SIGNATURE
CP Sam Newby, TDC Chair	
CVP Terrance Freeman, TDC Vice Chair	
CM Aaron Bowman	
Mark VanLoh, TDC Member	
Jeffrey Truhlar, TDC Member	
Angela Phillips, TDC Member	
Dennis Chan, TDC Member	
Joe Hindsley, TDC Member	
Dennis Thompson, TDC Member	
Carol Brock, TDC Executive Director	
Reece Wilson, OGC	
Phillip Peterson, Asst. Council Auditor	
Trista Carragher, Auditor's Office	
Jeff Clements, Research	