

TOURIST DEVELOPMENT COUNCIL MEETING Minutes

Council President Samuel Newby, TDC Chairman

Thursday, February 24th, 2022 - 10:00 A.M.
Lynwood Roberts Room, City Hall

TDC Members In Attendance: Council Member Sam Newby (Chair), Council Member Terrance Freeman (Vice Chair), Council Member Aaron Bowman (Past-Chair), Jeff Truhlar, Angela Phillips, Dennis Chan, Steve Grossman, Dennis Thompson, Joe Hindsley

TDC Staff: Phillip Peterson – Council Auditor’s Office; Reece Wilson – Office of General Counsel; Jeff Clements – Council Research Division

Also: Michael Corrigan, Katie Mitura and Sarina Wiechens – Visit Jacksonville Inc.; David Reese – Florida’s First Coast of Golf

Meeting convened: 10:02 a.m.

Public Comments

Alan Bliss, CEO of the Jacksonville Historical Society, gave an update on the progress of the planning for the Jacksonville Music History museum. The Society will be coming to ask for TDC financial assistance in the future for that project. Jacksonville’s bicentennial is this year and there will be a celebration in June. Mr. Bliss thanked the City for its assistance and support for the bicentennial event to date. The current and 3 former mayors are the honorary co-chairs of the event.

Alan Verlander with Airstream Ventures addressed the Jacksonville Bicentennial Community Celebration on June 11th that will include a parade, musical performances and fireworks in the downtown area. Celebrities with a Jacksonville connection are being invited to participate. The event organizers are soliciting input from anyone with an interest or an idea to help make the event special.

Approval of Minutes

The minutes of the TDC meetings of December 8, 2021 (regular meeting), January 5, 2022 (special meeting), February 10, 2022 (Transition Committee), February 10, 2022 (RFP Committee), and February 14, 2022 (Transition Committee) **were all approved unanimously.**

Financial Report

Assistant Council Auditor Phillip Peterson gave the financial report. TDC tax collections of \$8,789,129.96 for the 12 months ending January 2022 were up by \$3.26 million (58.99%) over the same period the previous year. Collections for the first 4 months of the fiscal year ending January 2022 were \$2,997,603.65, up 70.44% over the same period the previous year. January 2022 collection were up 82.84% over January 2021. Actual collections for the fiscal year to date exceed average monthly revenue by \$744,848.65.

Mr. Peterson reviewed the budgetary balances available (after encumbrances) in the various TDC budget categories: Destination Services - \$56; Marketing - \$0; Convention/Group Sales - \$0; Planning and Research - \$42,500; Event Grants – \$27,000; Remaining to spend in accordance with the TDC Plan (TDC operations) - \$112,309; TDC administrative budget - \$174,155.38; Convention Grants -

\$305,830.77; Equestrian Center Promotion - \$38,134.05; Special Revenue Fund - \$48,912.50; Contingency Account - \$1,056,060; Development Account - \$1,621,075.63.

He reported that there are some discrepancies between what the TDC has approved in the budget and the amounts as shown in the 1Cloud financial management system. It is possible that a budget transfer ordinance may be needed to true-up the amounts in 1Cloud when the numbers have been reconciled.

Aaron Bowman said it appears from the financial report that if revenue trends continue, the TDC will have as much as \$3 million in reserves by year-end. He believes the TDC should be good stewards of the bed tax and that the council needs to have a discussion at a future meeting about how much of a reserve is reasonable and how those funds should be used.

Market Report

Mr. Bowman said that travel activity is growing enormously in Jacksonville and asked Michael Corrigan, CEO of Visit Jacksonville, to comment on trends he's seeing. Mr. Corrigan said that hotel occupancy is up 17.5%, room rates are up 16%, and revenue per available room (REVPAR) are up 27.23% despite the fact that there has been growth in hotel inventory in the market. Jacksonville's recovery from the COVID pandemic is very strong.

RFP Committee Recommendation

Council Member Bowman reported that the committee met several weeks ago and he recommended that the RFP process to solicit for potential new contractors to operate the tourism promotion functions be suspended and another path considered. Visit Jax has been under contract to the TDC for more than 20 years in a series of short-term contracts. An RFP process for multiple contractors was tried several years ago to try and get more competition and perhaps better performance. Visit Jax won all the contracts again and the organization's performance has improved tremendously. He thinks that a long-term arrangement might be in order (along the lines of Visit Florida being the official, long-term tourism promotion agency for the state) for a 10-year single-source contract to allow Visit Jax to make a long-term strategic plan and enter into long-term agreements with subcontractors. There are several ways to approach a single-source contract through the City's procurement system and he and the rest of the RFP Committee recommend that the RFP process be abandoned and that a scope of services be developed for a sole-source procurement to hire Visit Jax on a long-term basis.

Mr. Bowman recommended a resolution of the TDC to the City Council recommending a sole-source contract with Visit Jax and getting the Council's approval before going down that path. Jeff Truhlar agreed with the long-term contract approach. Terrance Freeman agreed that there is not another provider in Jacksonville that could provide the service Visit Jax provides. He asked if the sole-source option had ever been explored previously. Michael Corrigan said he served on TDC as a council member from 2006 to 2011 and there was no discussion of a sole-source contract during that period. There are several examples in Jacksonville of sole-source contracts for service provision (e.g. Florida Theatre, Downtown Vision Inc.).

Mr. Bowman noted that the TDC would still have complete control over the contract and budget with Visit Jax, and the contract would include opt-out provisions for either party should either become dissatisfied with the arrangement. Mr. Corrigan said that his agency could become more efficient by having the flexibility to amend the contract provisions, with the TDC's approval, as conditions and markets change.

Motion (Thompson): approve the Bowman proposal to abandon the RFP process and pursue a single-source procurement process with Visit Jax – **approved unanimously**.

Downtown Visitor Center Display Adjustment Request

Michael Corrigan gave an update on the RFP issued for a Visitor Center interactive display wall. There was one respondent to the RFP and their bid came in \$32,000 higher than the original proposal, although the capability of the system is greatly enhanced and should make it more exciting and attractive to users. Mr. Truhlar asked about the maintenance contract Ms. Phillips asked about the capabilities of the video displays and the amount of customization that will be possible.

Motion (Bowman): increase the budget approved at the last meeting for acquisition of the display wall technology by \$32,019.32, to be funded from the Tourist Bureau/Destination Experience budget line item – **approved unanimously**.

TDC Grant Request

Tom Croom of Mustard Entertainment described his group's request for funding for WasabiCon, a cosplay, anime, gaming and pop culture event. The event started at the Marriott Southpoint 10 years ago and has graduated to the Prime Osborn Convention Center because of a 40% growth in attendance over the last 10 years. His company is requesting a grant for marketing for the event to be held in October 2022. DragonCon in Atlanta has outgrown the convention center there and now covers the whole downtown area using multiple hotels – that's the model they're looking at for future growth. Joe Hindsley said he was involved in DragonCon when he worked in Atlanta and it was a huge event there and has the same potential here. Mr. Croom said the date was chosen to avoid competition with similar events in other cities and has become the traditional date for the Jacksonville show. Mr. Bowman reported that the Executive Director's application score was 51 of 60 and the recommendation is a \$12,000 marketing grant from the FY21-22 contingency account.

Motion (Hindsley) – approve the requested \$12,000 marketing grant from the FY21-22 contingency account – **approved unanimously**.

Visit Jacksonville Update

Mr. Corrigan said Mr. Croom has already grown a great event is now asking for assistance to make it even better. Group sales is coming back very slowly. He is meeting with the universities in town about how they can leverage their mutual interests to grow tourism business in Jacksonville and utilize their facilities. He is excited by the prospect of the single-source, long-term contract with the TDC to help grow tourism to its fullest potential in Jacksonville.

Sarina Wiechens, Finance Director for Visit Jax, gave an overview of the Datafy tourism tracking information system that the TDC authorized Visit Jax to purchase. She described the system's data production from two recent events – the Super Girl Surf Pro event at the Beaches and the Skate League Series downtown at Riverfront Park – which tracked where tourists attending the event came from, where they stayed in town, tourist demographics (age, income, etc.) and how much direct economic impact was generated. Steve Grossman asked about a comparison of the data provided by Datafy with the projected visitor information provided in the grant funding applications for those events. Ms. Wiechens said that the system does not track devices of anyone under the age of 16, so the attendance could have been greater than what is reflected in the data. TDC Executive Director Lillian Graning is the

one who makes the determination of whether the grant conditions have been met and qualify for the TDC funding. Mr. Hindsley said this system holds great potential for determining whether grant conditions are being met, and that is something for the next TDC Executive Director to be aware of and provide to the board members. Mr. Corrigan said that Visit Jax can respond to information requests from TDC members at any time, including outside of regular meetings. Mr. Hindsley said there is the potential to use the system to more precisely where people go and what activities they participate in while they are in town.

Jeff Truhlar asked about the resumption of group marketing and sales and when it is anticipated that things will return to a more normal state. Ms. Wiechens said that Visit Jax provides quarterly reports to the Executive Director about their marketing activities and would be happy to bring them to meetings to address the TDC board if they are interested in that. Mr. Hindsley said the TDC would benefit from knowing more about what sectors are coming back faster or slower and where more attention needs to be focused. Mr. Corrigan said they are happy to provide any information the board wants in the format that is most efficient and digestible.

Mr. Thompson asked when Datafy will be fully rolled out and whether it will be accessible to TDC members through a portal of some kind. Mr. Corrigan said he is dealing directly with the CEO of Datafy to ensure that all functionality is being implemented as quickly and thoroughly as possible, acknowledging that there have been some problems along the way. They are anxious to have full functionality to provide the TDC with the information it needs.

Transition Committee Update

Council Member Bowman thanked his committee member for their hard work to date. 17 applications from qualified candidates were received and reviewed. The committee selected 5 candidates for interviews by Zoom since some were from out of town. They will meet again next week to interview the top 2 candidates (both local) in person on March 1st. All TDC members are invited to attend if they want to see the interview. The committee had considered designing an exercise of some sort for the candidates to do in advance of the interview, but the Employee Services Department and Ms. Graning recommended against that. Mr. Bowman said he developed a TDC Executive Director Expectations Sheet that will be given to the new Executive Director to clarify expectations on aspects of the job that are not technically job requirements, but recommended practices. They anticipate making an offer to a candidate next week. When the City Council hires its new Council Secretary/Director then he will recommend that the Council share a part of an employee slot with TDC. Ms. Graning's absence due to a family illness today illustrates the importance of having another staff person in the TDC office.

Terrance Freeman thanked Ms. Graning in absentia for her assistance to him in understanding the work of the TDC and explaining its processes and procedures, and wished her well in her new position.

Next Meeting

Thursday, April 21, 2022, 10:00 a.m., Lynwood Roberts Room

The meeting adjourned at 11:08 a.m.

The minutes for this meeting was unanimously approved at the TDC meeting on April 21, 2022.

REQUEST TO SPEAK CARD

TOURIST DEVELOPMENT COUNCIL

Please print and complete:

NAME: Alan Bliss / Alan Verbeke DATE: 02-24-2022

ADDRESS: 34 Palmetto PHONE: 904-860-6363

REPRESENTING: JAX Historical Society

1: PUBLIC HEARING BILL NUMBER: _____

I SUPPORT _____ (or) I OPPOSE _____ THIS LEGISLATION

2. COMMENTS FROM THE PUBLIC SUBJECT: _____

SPEAKING TIME IS LIMITED (SEE REVERSE FOR TIME LIMITATIONS)
NO SPEAKER MAY GIVE OR TRANSFER HIS/HER TIME TO ANOTHER PERSON

(Please read the reverse side for instructions on speaking)