



June 30, 2022

Agenda & Meeting Materials

## **TOURIST DEVELOPMENT COUNCIL MEETING AGENDA**

Thursday, June 30, 2022, 10:00 a.m.

City Hall - Lynwood Roberts Room

TDC Members: City Council President Sam Newby (Chair), City Council President-Elect Terrance Freeman (Vice Chair), City Council Member Aaron Bowman, Jeff Truhlar, Angela Phillips, Dennis Chan, Dennis Thompson, Joe Hindsley, Mark VanLoh

TDC Staff: Carol Brock (Executive Director), Phillip Peterson and Trista Carraher (Auditing), Reece Wilson (OGC), Jeff Clements (Research)

### **WELCOME**

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- Call to Order Chair Newby
- Public Comments (Including Action Items) Chair Newby

### **OPERATIONS**

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- 1) Approval of April 21, 2022 TDC Meeting Minutes Chair Newby
- 2) Financial Report Phillip Peterson
- 3) Market Report Carol Brock

### **ACTION ITEMS**

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- 4) TDC Grant Requests Chair Newby/Carol Brock
  - ✓ Florida Fin Fest – Special Event Grant Niko Costas
  - ✓ Constellation Furyk & Friends – Marketing and Special Event Grants Adam Renfroe
- 5) FY 2022-2023 Proposed Budget Chair Newby/Carol Brock
- 6) TDC Fund Balance Carol Brock/Phillip Peterson
- 7) Direct Contract Update Carol Brock/Michael Corrigan

### **DISCUSSION ITEMS & PRESENTATIONS**

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- 8) Recap from Grant Recipients Chair Newby/Carol Brock
  - ✓ UNF Track & Field Infrastructure Nick Morrow
  - ✓ 2022 Springing the Blues Alan Verlander
  - ✓ 2022 Spartan Championship Alan Verlander
- 9) Visit Jacksonville Update Michael Corrigan
- 10) Feasibility Study for Direct Flights to Europe Carol Brock/Michael Corrigan

### **CLOSING BUSINESS**

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- Closing Comments and Adjournment Chair Newby

**THANK YOU, CITY COUNCIL PRESIDENT NEWBY, FOR SERVING AS 2021-22 CHAIR OF TDC**

<b>Next Meeting: Thursday, August 11, 2022, 10:00 a.m., City Hall - Lynwood Roberts Room</b>
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## TOURIST DEVELOPMENT COUNCIL MEETING MINUTES

Thursday, April 21, 2022, 10:00 a.m.

City Hall - Lynwood Roberts Room

TDC Members: City Council President Sam Newby (Chair), City Council Vice President Terrance Freeman (Vice Chair), City Council Member Aaron Bowman, Jeff Truhlar, Angela Phillips, Dennis Chan, Dennis Thompson, Joe Hindsley

TDC Staff: Carol Brock (Executive Director), Trista Carraher (Council Auditor's Office), Reece Wilson (Office of General Counsel), Jeff Clements (Council Research Division)

### WELCOME

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- **Call to Order**  
Chair Newby called the meeting to order at 10:03 a.m. and introduced new TDC Executive Director Carol Brock. Ms. Brock thanked the TDC for their confidence in selecting her for the position. She has been meeting with all of the TDC board members, with Visit Jacksonville, and with other TDC constituents, and organizing the TDC office. She looks forward to a great relationship with the board.
- **Public Comments - None**

### OPERATIONS

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#### 1) **Approval Minutes**

The minutes of the February 24, 2022 TDC Meeting were **approved unanimously as distributed.**

#### 2) **Financial Report**

Trista Carraher of the Council Auditor's Office presented the financial report. TDC tax revenues for the 12 months ending March 2022 were \$9,257,068.89, a 78.86% increase over the 12 months ending March 2021. Collections for the first 6 months of the fiscal year ending March 2022 were \$4,444,853.74, up by \$1,706,748.89 or 62.33% over the same period the previous year. Revenue for March 2022 was \$786,953.62, up 56.15% from the same month in 2021. Actual collections for the fiscal year to date exceed the budgeted amount by \$995,638.74.

Ms. Carraher reviewed the budgetary balances remaining in the TDC's contractual and operating accounts. Destination Services - \$578; Marketing - \$137,283; Convention/Group Sales - \$432; Planning and Research - \$42,500; Event Grants - \$147,000; Remaining to be Spent in Accordance with the TDC Plan – TDC Operations - \$200,267.60; TDC Administration - \$142,831.73; Convention Grants - \$133,900.59; Equestrian Center Promotion - \$38,143.05; Special Revenue Fund - \$118,912.50; Contingency Account - \$1,273,000; Development Account - \$1,404,135.63.

Council Member Bowman questioned the de-funding of two track and field events at the University of North Florida and asked staff to investigate and report back on the value that has been derived from the TDC's major investment a couple of years ago in Hodges Stadium that was supposed to have generated new track and field events and increased tourism. President Newby suggested that soft drink companies frequently sponsor scoreboards, which is still a need at the UNF stadium. Council Member Bowman asked that UNF's new athletic director be invited to a future TDC meeting to address the stadium improvements and event attraction.

#### 3) **Market Report**

TDC Executive Director Carol Brock gave the market report. She said that despite high gas prices, drive traffic has supported a strong source of visitors and with a record January and strong February performance, Spring is likely to be a well performing season for Jacksonville. Traveler sentiment is also topping post-pandemic levels with around 90% of travelers planning trips in the upcoming six months. Only 20% of travelers reported taking Covid-19 into consideration while making travel plans, the lowest since the pandemic began. As a high-value destination, Duval County is well positioned for cost conscious travelers making Spring and Summer break plans. She explained that the TDC adopted a fiscally responsible FY 21-22 budget by projecting revenue figures

just 15% under pre-Covid levels to \$7.2 million. Halfway through this fiscal year, revenue trends through February continue to outpace projections. Currently, it appears as though FY 21-22 will outperform estimates and position the TDC well for investment positions for future years.

## **ACTION ITEMS**

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### **4) Revenue Projection for FY 2022-23**

Carol Brock said that the TDC needs to determine a revenue projection to be incorporated into next year's budget. After consultation with Visit Jacksonville and the Council Auditor's Office, as well as using industry-trusted reports such as Longwoods and STR, she recommends a projection of \$10 million in revenue for next year, which seems to be reasonable given the current year's revenue trends (projecting \$9.6 million by current year-end). Jeff Truhlar said that \$10 million seems like a conservative but reasonable figure, given that the current year's large growth may not continue at that same rate. Sarina Wiechens of Visit Jax said the group used the STR report and leaned more conservative than that company's \$11 million revenue projection. Since the TDC revenue goes to several uses (stadium bonds and sports complex capital maintenance in addition to tourism promotion), the tradition has been to budget conservatively so there is no revenue shortfall. Trista Carraher said that TDC has traditionally budgeted next year's revenue based on the current year's final revenue projection and budgets conservatively so that there is no cause for a General Fund supplement needed to balance the budgeted uses for the bed tax within the other funds.

Council Member Bowman suggested monitoring the revenue collections and asking the City Council in mid-year for a budget amendment to add additional funds to the TDC expenditure budget if revenues come in over the conservative projections. He noted that there is \$1.27 million in the TDC's contingency fund that could be tapped if revenues fall short during the year. He would prefer to avoid a 6-week City Council appropriation process to utilize additional funds that come in over the conservative projection being suggested. Joe Hindsley said consideration needs to be given to the relationship between revenue and goal-setting – projecting revenues conservatively leads to easy achievement of goals and doesn't stretch the organization to be aggressive in its work.

**Motion** (Freeman/2<sup>nd</sup> Bowman): budget \$10 million in projected TDC revenue for the FY22-23 budget – **approved unanimously.**

### **5) TDC Grant Requests**

Carol Brock said that Chairman Newby granted an exception for two agencies to submit special request applications outside of the grant consideration normal cycle of October and June.

- **Florida's First Coast of Golf – Marketing Grant:** Ms. Brock said that she gave this application a score of 47 out of 60 points. David Reese of FFCCG said that the agency's website is old and outdated and needs revision. The total cost is estimated at \$75,000, of which \$55,000 is being requested from the TDC. In response to a question from Mr. Bowman, Mr. Reese said that the other counties in the First Coast region that support FFCCG are also contributing funding for the project, which should be completed by November.

**Motion** (Truhlar, 2<sup>nd</sup> Hindsley) – assign an application score of 47 and approve the \$55,000 marketing grant as requested – **approved unanimously.**

- **Airstream Ventures – Marketing and Special Events Grants**

Alan Verlander of Airstream Ventures presented a request for two grants – a \$75,000 special events grant and a \$75,000 marketing grant to support the 2022 Street League Skateboarding World Tour event in Jacksonville. The first Street League Skateboarding event last year produced a huge tourism impact and national and international media exposure. SLS is changing its format somewhat to create 4 major events and a series of smaller events. Because of the success of the first event, Jacksonville could pursue hosting the U.S. Olympic skateboard team trials before the next Olympics in 2024. The decision has been made to move the event from Riverfront Park to the VyStar Veteran's Memorial Arena to increase the seating capacity from 5,000 to nearly 9,000 because ticket sales for last year's event went so well.

Council Member Bowman asked about the staff scoring for this year's event and why the grants are being requested for an event that has already announced its commitment to hold the event in the city. Mr. Verlander said that the timing of the announcement had to do with SLS's need to announce the world tour now, understanding that the TDC had not yet approved the grant requests. Ms. Brock said that she assigned application scores of 42 and 43 out of 60 possible points because of the multi-year requests (applications in subsequent years are scored lower than initial applications) and the number of tourists generated, which is substantial but not overly large for TDC-supported events.

**Motion** (Bowman/2<sup>nd</sup> Freeman): assign application scores of 42 and 43 and approve the two \$75,000 special event and marketing grant requests – **approved unanimously**.

The Florida's First Coast of Golf Website Redesign Marketing Grant and SLS World Tour Special Event Grant will be paid from the Event Grants account. The SLS World Tour Marketing Grant will be paid from the Marketing account.

#### 6) **Direct Contract Update**

Council Member Bowman discussed the background of the resolution introduced in the City Council by the three TDC council members to gain the Council's approval of the concept of a direct contract with Visit Jax, which passed the Council unanimously. The three current contracts expire at the end of September and the process of developing a new contract will take considerable time, but the hope is to have the unified direct contract ready for implementation by the start of the fiscal year on October 1. Ms. Brock requested that the TDC members provide her with any specific provisions that they want included or excluded from the new contract. Staff (TDC, Office of General Counsel, Auditor's Office, and Visit Jax) will create a framework of the new contract by June for consideration by the TDC board and introduction to City Council in time for the contract to be approved by August.

**Motion** (Hindsley/2<sup>nd</sup> Truhlar) – authorize the TDC Executive Director, Office of General Counsel, and Council Auditor's Office to negotiate a contract framework with Visit Jacksonville for a new long-term direct contract for services – **approved unanimously**.

### **DISCUSSION ITEMS**

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#### 7) **Visit Jacksonville Update**

Sarina Weichens, Chief Operating Officer of Visit Jacksonville, made the report on behalf of CEO Michael Corrigan.

- National Travel and Tourism Week is the week of May 1-7, 2022. TDC members are welcome to attend a celebration of the event sponsored by Visit Jax – information will be sent to TDC members. Visit Jax will publish a guest column in the *Florida Times-Union* about the value of the tourism industry. Seymour Jax, the mobile visitor center, will be at tourist attractions around the city that week (Jacksonville Zoo, Riverside Arts Market, Jumbo Shrimp game, etc.).
- STR Reporting and Forecast Updates – in the most recent report, average hotel occupancy in Jacksonville is 73.9%; average daily room rate (ADR) is \$120.31; revenue per available room (REVPAR) is \$88.95, all of which are higher than previous record years.
- UNF Hotel Survey Results – Visit Jax commissioned UNF to survey hotels and ask what they most wanted from Visit Jax. 88 properties responded. Findings: they want business travel to rebound; most properties are on or ahead of pace for occupancy expectations; they want more marketing and social media assistance from Visit Jax.
- Industry Association Updates – Visit Florida is substantially increasing its membership dues (\$18,000 up from \$6,000). Visit Jax benefits from being a Visit Florida member and is considering how to move forward with the requested dues increase.
- Contractual Updates
  - Convention Sales and Services – the sales reps have reached 50% of the annual booking goal with 68% of the bookings being new business; a familiarization trip is planned for May with the Jumbo Shrimp and USS

Orleck being among the features; Visit Jax is doing 3 promotions for sales highlighting enhanced incentives for booking during “need months”, for small group bookings, and with rewards for multi-year bookings.

- Destination Experience – 107,000 interactions (76% of goal); 38 Seymour Jax events were held in the 2<sup>nd</sup> quarter; they will be adding solar panels to Seymour Jax to increase its power for amenities.
- Marketing – 4 travel writers and 2 influencers have visited this year and generated interesting stories about what to see and do in Jacksonville; 2 new breweries have been added to the Jax Ale Trail.

Council Member Bowman asked the hoteliers on the commission to comment on the cost of labor, supplies, etc. in their businesses and the impact on room rates and profitability, and about labor availability given national conditions. Mr. Truhlar said that available labor force is a tremendous problem and is impacting customer satisfaction. Supply chain problems are also incredibly disruptive. Joe Hindsley said that experiences vary widely based on hotel type, size, and location. He agreed that labor issues are a tremendous problem and workforce development is a big issue in Jacksonville. Supply chain issues are also problematic and require great flexibility on the part of facilities and to satisfy customer demands with whatever supplies they can get. His hotels books events 3 and 4 years in advance so customers who booked years ago are getting great deals given recent inflation. Prices will stabilize over time as conditions return to a more normal state. Labor availability is the number one problem. Angela Phillips said over half of her housekeeping staff are contract workers who are being housed and fed by the hotel just to get enough workers to keep the business running – that’s not sustainable. They are working with ARC Jacksonville to hire special needs workers from their training program. Supply chain is a tremendous problem, resulting in staff going to local stores to purchase items at retail prices because their suppliers can’t supply what they need.

Council Member Freeman asked how hotel companies hire and train workers and how long the process takes. Angela Phillips said 2 weeks is a normal time frame to get someone on the job. Mr. Freeman said apprenticeships and workforce development is a high priority with him. Mr. Hindsley said jobs in the hospitality industry vary widely from management to housekeeping to food service. The biggest need currently is housekeeping – not a high skill job but does demand some physical strength and dedication to the task. Culinary jobs are more high skill, as is building engineering. Hotels tend to be entry-level employers giving unskilled and inexperienced people their first jobs and training and nurturing them to move up to higher level jobs. In other cities where he has worked, they had mayor’s summer job programs for youth that helped introduce them to work. Transportation is usually problematic for entry-level workers.

In response to a question from Chairman Newby about why Visit Florida’s membership fee increased by so much, Ms. Wiechens said they haven’t raised rates in 15 years, and it was time to catch up, which accounts for the large increase.

#### 8) June TDC Meeting

Carol Brock said the meeting will be on June 30<sup>th</sup> and could be longer than usual because the FY22-23 budget, grant applications and the direct contract framework will be up for discussion. She will circulate as much information as possible in advance of the meeting to give board members time to prepare. The meeting will be President Newby’s last meeting as Chair of the TDC.

Ms. Brock thanked former Executive Director Lillian Graning for her assistance during the transition process.

#### CLOSING BUSINESS

- Chairman Newby thanked board member Steve Grossman for his service on the TDC and welcomed Mark Van Loh, Executive Director of the Jacksonville Aviation Authority, to the board. He also congratulated Ms. Brock on a successful first meeting as Executive Director.
- The meeting adjourned at 11:20 a.m.

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

**Duval County Tourist Development Council  
Financial Report - May 31, 2022**

**Summary of Amounts Remitted to Trust Fund**

<b>Collections Received In</b>	<b>FY 2018/19</b>	<b>FY 2019/20</b>	<b>FY 2020/21</b>	<b>FY 2021/22</b>
October	661,289.23	590,917.93	466,406.79	672,056.13
November	769,617.48	680,002.57	416,220.96	604,936.96
December	559,640.32	648,659.07	446,841.04	907,233.95
January	592,677.36	614,775.93	429,324.90	784,956.19
February	630,201.14	705,145.07	475,347.90	660,296.47
March	707,493.13	626,965.65	503,963.26	786,953.62
April	949,014.56	372,294.92	730,334.02	1,042,260.73
May	793,962.83	279,311.25	799,298.79	1,083,987.32
June	791,225.12	434,139.23	799,025.75	
July	716,939.67	430,792.51	856,827.09	
August	768,697.76	502,106.49	877,609.93	
September	656,739.25	418,714.61	749,119.57	
<b>Totals</b>	<b>\$ 8,597,497.85</b>	<b>\$ 6,303,825.23</b>	<b>\$ 7,550,320.00</b>	<b>\$ 6,542,681.37</b>

**Comparison of Collections, Last Twelve Months to Prior Twelve Months**

12 months ending May 2022	\$ 9,825,263.71
12 months ending May 2021	<u>6,053,490.50</u>
Change over prior 12 months	\$ 3,771,773.21
Percentage change	62.31%

**Comparison of Collections, Fiscal Year to Date vs. Prior Fiscal Year to Date**

8 months ending May 2022	\$ 6,542,681.37
8 months ending May 2021	<u>4,267,737.66</u>
Change over prior year to date	\$ 2,274,943.71
Percentage change	53.31%

**Comparison of Collections, This Month vs. Same Month Last Year**

May 2022	\$ 1,083,987.32
May 2021	<u>799,298.79</u>
Change over prior year	\$ 284,688.53
Percentage change	35.62%

**Comparison of Actual Collections to Average Revenues Received**

Actual Collections, May 2022	\$ 6,542,681.37
Average Revenues to Budget, May 2022	<u>4,673,852.50</u>
Average Revenues Difference	\$ 1,868,828.87

**Duval County Tourist Development Council  
Financial Report - May 31, 2022**

		<b>Budget</b>	
<b>(1) Destination Services</b>		\$ 660,056.00	
Carryover Encumbrance Visit Jacksonville Contract		57,899.61	
Less Disbursements to Visit Jacksonville		(326,314.05)	
Less Disbursements for STR Reports		(13,745.00)	
Less Encumbrances:			
Visit Jacksonville Contract	(376,063.56)		
STR Report	(1,255.00)		
		(377,318.56)	
<b>Budgetary Balance Available</b>		<b>\$ 578.00</b>	
<b>(2) Marketing</b>		\$ 2,700,497.00	
Carryover Encumbrance Visit Jacksonville Contract		1,827.08	
Less Disbursements to Visit Jacksonville		(1,394,708.10)	
Less Disbursements to Florida's First Coast of Golf		(129,521.00)	
Less Encumbrances:			
Visit Jacksonville Contract	(900,811.98)		
Visit Jacksonville Window Display	(140,000.00)		
SLS Marketing Grant	(75,000.00)		
		(1,115,811.98)	
<b>Budgetary Balance Available</b>		<b>\$ 62,283.00</b>	
<b>(3) Convention/ Group Sales</b>		\$ 2,416,068.00	
Carryover Encumbrance Visit Jacksonville Contract		109,628.61	
Carryover Encumbrance STR Report		1,655.00	
Less Disbursements to Visit Jacksonville		(1,002,502.05)	
Less Other Disbursements		(420,000.00)	
Less Encumbrances:			
Visit Jacksonville Contract	(1,102,762.56)		
STR Report	(1,655.00)		
		(1,104,417.56)	
<b>Budgetary Balance Available</b>		<b>\$ 432.00</b>	
<b>(4) Planning and Research</b>		\$ 42,500.00	
Less Encumbrances:		-	
		-	
<b>Budgetary Balance Available</b>		<b>\$ 42,500.00</b>	
<b>(5) Event Grants</b>		\$ 1,000,000.00	
Carryover Encumbrance		70,000.00	
Less Disbursements		(429,893.89)	
Less Encumbrances:			
Tough Mudder 2022	(25,000.00)		
Ship Reef Promotion	(106.11)		
Spartan Combat 2022	(48,000.00)		
The Players Championship 2022 - Marketing	(300,000.00)		
Sandlot JAX Fitness Festival 2022 - Event Grant	(100,000.00)		
Sandlot JAX Fitness Festival 2022 - Marketing	(20,000.00)		
First Coast of Golf Website	(55,000.00)		
SLS Event Grant	(75,000.00)		
		(623,106.11)	
<b>Budgetary Balance Available</b>		<b>\$ 17,000.00</b>	



**Duval County Tourist Development Council  
Financial Report - May 31, 2022**

<b>Remaining to Spend in Accordance with TDC Plan - TDC Operations</b>	\$	112,309.00
Carryover Encumbrance		735,474.59
Less Disbursements		(414,927.50)
Less Encumbrances:		
Visit Jacksonville Sports Tourism	(218,327.09)	
Furyk & Friends Tournament - Marketing	(2,220.00)	
WasabiCon 2022 - Marketing	(12,000.00)	
		(232,547.09)
<b>Budgetary Balance Available</b>	<b>\$</b>	<b>200,309.00</b>
	<b>Total</b>	<b>\$ 323,102.00</b>

<b>TDC Administrative Budget</b>	\$	226,515.00
Less Disbursements		(128,056.48)
Less Encumbrances:		-
		-
<b>Budgetary Balance Available</b>	<b>\$</b>	<b>98,458.52</b>

**Accounts that Carryover Each Year**

<b>Convention Grants</b>	\$	75,000.00
Prior Year's Balances		498,517.77
Less Disbursements		(34,288.00)
Less Commitments:	\$ (255,922.18)	
		(255,922.18)
<b>Budgetary Balance Available</b>	<b>\$</b>	<b>283,307.59</b>

<b>(8) Promotion of the Equestrian Center</b>	\$	17,505.00
Prior Year's Balances		22,645.05
Less Disbursements		(13,704.00)
Less Commitments:	(900.00)	
		(900.00)
<b>Budgetary Balance Available</b>	<b>\$</b>	<b>25,546.05</b>

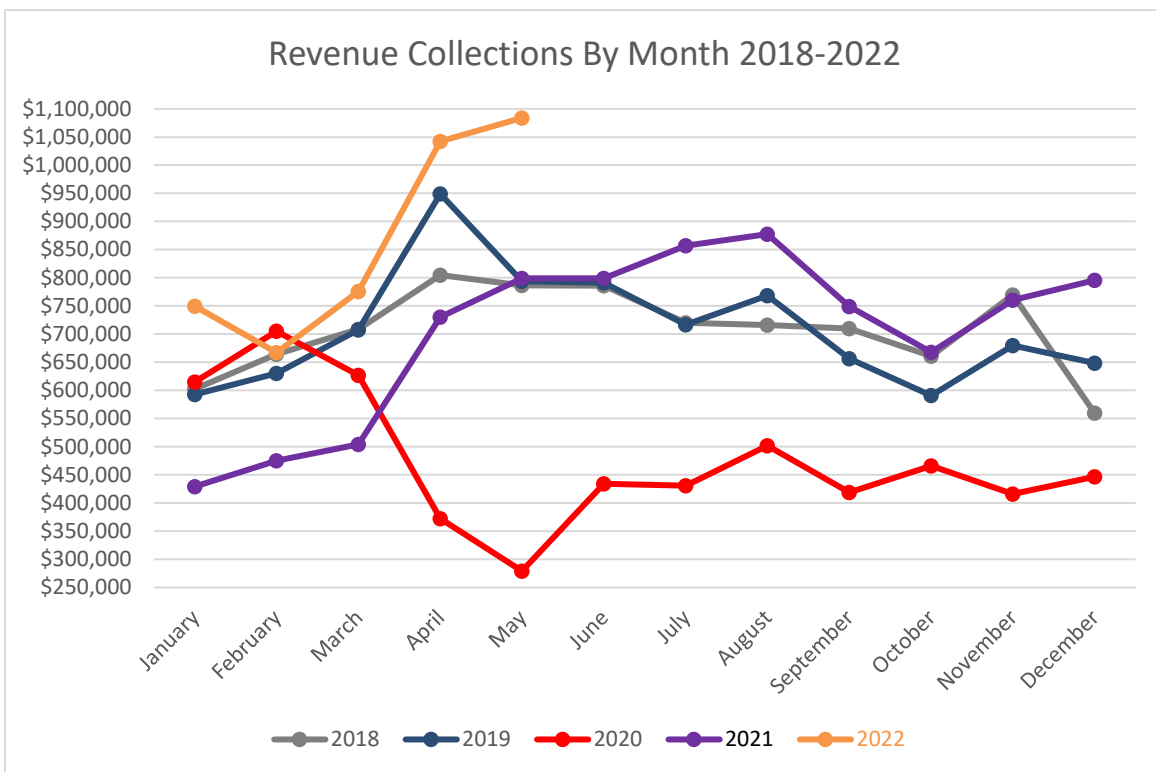
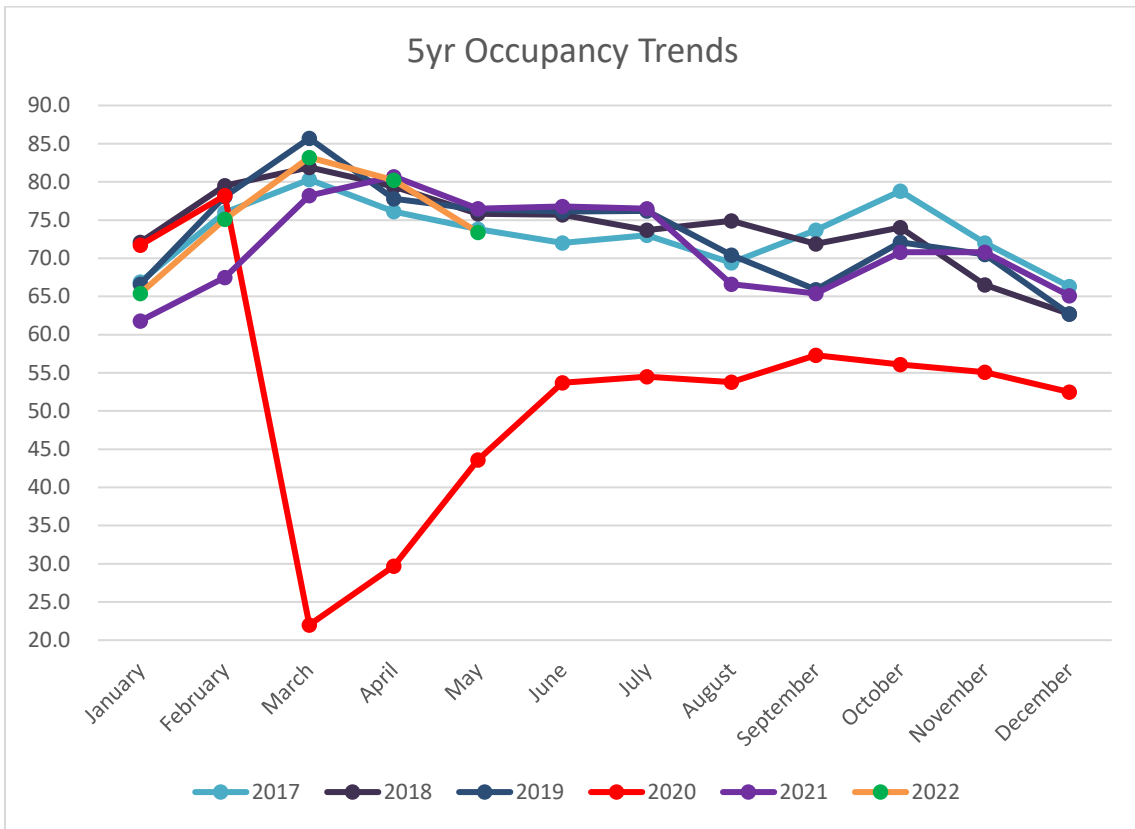
<b>Tourist Development Special Revenue Fund</b>	\$	105,212.50
Prior Year's Balances		13,700.00
Revenue from FY 20-21 Airport		-
Less Encumbrances:		-
		-
<b>Budgetary Balance Available</b>	<b>\$</b>	<b>118,912.50</b>

<b>(7) Contingency Account</b>	\$	250,000.00
Prior Year's Balances		1,163,000.00
Less Encumbrances:		
Visitor Center Improvements (transferred to Marketing)	(140,000.00)	
		(140,000.00)
<b>Budgetary Balance Available</b>	<b>\$</b>	<b>1,273,000.00</b>

**Accounts Requiring Additional City Council Action**

<b>(6) Development Account</b>	\$	250,000.00
Prior Year's Balances		1,371,075.63
Carryover Encumbrance UNF		950,000.00
Less Disbursements		(1,166,940.00)
		-
<b>Budgetary Balance Available</b>	<b>\$</b>	<b>1,404,135.63</b>

## MARKET REVENUE AND OCCUPANCY TRENDS



**Agenda Item #4: TDC Grant Requests**  
**TDC Meeting Date: 6/30/2022**

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**REQUESTED ACTION:**

Determine funding level for grant requests as submitted for consideration.

1. Florida Fin Fest (Special Event)
2. Constellation Furyk & Friends (Marketing and Special Event)


**DETAILS:**

The TDC implemented two grant consideration periods in 2021 – October and June of each year. There are two applicants presenting requests today in keeping with the grant request cycle. *The details of these requests are summarized on the following sheets.*

**FISCAL IMPACT:**

The sum of these grant requests is  $\$60,000 + \$25,000 + \$75,000 = \$160,000$ . The recommendation is to fund the two special event grants using dollars from the Special Revenue Fund and fund the marketing grant using the Marketing Grant Fund.

<b>Representative:</b>	Niko Costas, Real Time Entertainment & Management
<b>Name of Event:</b>	2022 Florida Fin Fest
<b>Date of Event:</b>	September 17-18, 2022
<b>Date of Application:</b>	June 30, 2022
<b>Location:</b>	Seawalk Pavilion
<b>Type of Grant:</b>	Special Event
<b>Amount of Request:</b>	\$60,000
<b>Guaranteed Tourists:</b>	5000
<b>Estimated Room Nights:</b>	3400
<b>Funding to Support:</b>	Venue rental, speakers and talent fees, marketing outside of >150-mile radius of Duval
<b>Event Overview:</b>	Florida Fin Fest is a two-day event that aims to educate attendees of all ages about ocean conservation and sustainability as well as ways to better protect our waterways and ecosystems and includes a music festival after a morning of beach clean-up. In 2021, the event attracted more than 15,000 attendees making it one of the largest festivals of its kind in Northeast Florida. This year's event is scheduled in September at the Seawalk Pavilion and will partner with Ocearch-JU, MOSH, Ocean Conservancy, and others to draw in an expected crowd of more than 25,000 with 20% greater than 150 miles from Duval.
<b>Past TDC Support:</b>	None
<b>Estimated Direct Impact:</b>	\$1,378,787
<b>Application Score:</b>	51 out of 60
<b>Recommendation:</b>	Recommend awarding full \$60,000 requested special event grant from FY 21-22 special revenue account.



<b>Representative:</b>	Adam Renfroe, Jim & Tabitha Furyk Foundation
<b>Name of Event:</b>	2022 Constellation Furyk & Friends
<b>Date of Event:</b>	October 3-9, 2022
<b>Date of Application:</b>	June 30, 2022
<b>Location:</b>	Timuquana Country Club
<b>Type of Grant:</b>	Marketing / Special Event
<b>Amount of Request:</b>	\$25,000 / \$75,000
<b>Guaranteed Tourists:</b>	5,000
<b>Estimated Room Nights:</b>	2,500
<b>Funding to Support:</b>	Promotion and exposure / Event rentals and production
<b>Event Overview:</b>	The Constellation Furyk & Friends is a returning event to Timuquana Country Club in the fall. This PGA TOUR Champions event offers a unique approach to a golf tournament with well-known participants, a focus on music, food, and fun for everyone. All proceeds benefit Northeast Florida charities through the Jim & Tabitha Furyk Foundation.
<b>Past TDC Support:</b>	\$50,000 Marketing FY21-22 \$100,000 Special Event (guarantee not met due to COVID) FY21-22
<b>Estimated Direct Impact:</b>	\$2,363,793
<b>Application Score:</b>	49 out of 60 Marketing / 50 out of 60 Special Event
<b>Recommendation:</b>	Recommend awarding \$25,000 marketing grant from TDC FY21-22 marketing account and \$75,000 special event grant from TDC FY21-22 special revenue fund account

**REQUESTED ACTION:**

Approve FY 2022-2023 proposed budget as presented to enable annual planning efforts.

**DETAILS:**

At the April 21, 2022 meeting, TDC approved a \$10M revenue projection for FY 2022-2023. The Mayor's Office is building the budget based on \$9.6M. Two versions are being presented to TDC; the version adopted will be based on the final budget approved by City Council.

**FISCAL IMPACT:**

Giving careful consideration of the current recovery rate, this revenue projection aligns with fiscally responsible planning and will allow for potential growth and new opportunities in the coming year.

**PROGRAMMATIC IMPACT:**

Below are highlights of the FY 2022-2023 proposed budget:

- **Reinstatement of TDC Administrator Position** – The fulltime position was vacated and unfilled the past two years. Reinstating this position allows for cross-training, increased efficiency in processing and monitoring grants, prompt updates to website, and assistance for the executive director. The salary will be \$55,500 + approximately \$11,600 in employee benefits cost.
- **Office Supplies & Professional Development** – Increased to include upgraded technology and professional development for TDC staff for total of \$6000.
- **Strategic Planning** – This remains in the budget at \$100,000 as the strategic planning process did not occur last year given the executive director transition. These efforts will be reignited and even more important as we experience a strong recovery and desire to contract with Visit Jacksonville for the next ten years. This amount is based on three proposals from 2020.
- **Florida's First Coast of Golf** – Requested \$180,000 which is an increase from \$126,521 for FY 2021-2022.
- **Equestrian Center** – Budgeted at \$10,000 due to a larger than usual carryover this year of approximately \$24,000.
- **Visit Jacksonville** – 70% of the total budget will be disbursed monthly in equal payments to cover Destination Experience; Marketing Services; Convention & Group Sales; Grants, Sponsorships & Promotions; 1% Administrative Fee.
- **Multiyear Grants** – Committed amounts total \$930,625 for Gator Bowl, Super Girl Surf Pro, The Players Championship.
- **Marketing & Special Event Grants Funding** – Increased from \$750,000 to \$850,000 due to favorable TDT projections.

Category	FY 21-22 Budget	FY 22-23 Budget Based on \$9.6M TDT	FY 22-23 Budget Based on \$10M TDT
<b>Expenditures</b>			
<b>Administration</b>	<b>\$206,874</b>	<b>\$264,176</b>	<b>\$264,176</b>
Salaries (ED + Administrator)	\$114,411	\$152,875	\$152,875
Pension Costs	\$13,129	\$11,723	\$11,723
Employer Provided Benefits (ED + Administrator)	\$13,018	\$28,511	\$28,511
Internal Services Charges	\$45,647	\$46,076	\$46,076
Insurance Costs & Premiums	\$579	\$578	\$578
Professional and Contractual Services	\$501	\$501	\$501
Other Operating Services	\$1,677	\$3,500	\$3,500
Professional Development/Training	\$0	\$2,500	\$2,500
Indirect Costs	\$17,912	\$17,912	\$17,912
<b>Destination Experience</b>	<b>\$644,756</b>	<b>\$1,184,220</b>	<b>\$1,237,020</b>
1% Administrative Fee for Visit Jax	\$0	\$67,200	\$70,000
Visit Jax Contract	\$629,756	\$1,100,000	\$1,150,000
STR Report Subscription	\$15,000	\$17,020	\$17,020
<b>Marketing</b>	<b>\$2,754,447</b>	<b>\$4,212,800</b>	<b>\$4,310,000</b>
Visit Jax Contract	\$2,627,926	\$4,040,000	\$4,130,000
FL First Coast Golf Contract	\$126,521	\$172,800	\$180,000
<b>Convention &amp; Group Sales</b>	<b>\$2,484,418</b>	<b>\$1,640,000</b>	<b>\$1,690,000</b>
Visit Jax Contract	\$2,064,418	\$1,250,000	\$1,300,000
JaxSports Council (TaxSlayer Gator Bowl 1 & 2 of 5)	\$420,000	\$390,000	\$390,000
<b>CVB Grants</b>	<b>\$75,000</b>	<b>\$262,800</b>	<b>\$350,000</b>
Convention Grants, Sponsorships, Promotions	\$75,000	\$262,800	\$350,000
<b>Event Grants</b>	<b>\$1,000,000</b>	<b>\$1,090,625</b>	<b>\$1,090,625</b>
Marketing + Special Event Grants Funding	\$750,000	\$850,000	\$850,000
Super Girl Surf Pro (marketing 1 & 2 of 4)	\$175,000	\$175,000	\$175,000
Super Girl Surf Pro (special events 1 & 2 of 4)	\$75,000	\$65,625	\$65,625
The Players Championship (marketing 1 & 2 of 3)	\$300,000	\$300,000	\$300,000
<b>Equestrian Center Grants</b>	<b>\$17,505</b>	<b>\$10,000</b>	<b>\$10,000</b>
Equestrian Center Grants	\$17,505	\$10,000	\$10,000
<b>Planning &amp; Research</b>	<b>\$42,500</b>	<b>\$100,000</b>	<b>\$100,000</b>
Development & Planning	\$42,500	\$100,000	\$100,000
<b>Development</b>	<b>\$250,000</b>	<b>\$250,000</b>	<b>\$250,000</b>
Contribution	\$250,000	\$250,000	\$250,000
<b>Contingency</b>	<b>\$250,000</b>	<b>\$250,000</b>	<b>\$250,000</b>
Contribution	\$250,000	\$250,000	\$250,000
<b>Operations</b>	<b>\$511,213</b>	<b>\$403,376</b>	<b>\$516,176</b>
Reserve	\$0	\$0	\$0
Unallocated (Remaining to Spend)	\$453,913	\$403,376	\$516,176
Sponsorships & Donations Revenue	\$57,300	\$0	\$0
	<b>\$8,179,413</b>	<b>\$9,667,997</b>	<b>\$10,067,997</b>
<b>Revenue</b>			
<b>TDT Revenue as projected by TDC</b>	<b>\$7,225,000</b>	<b>\$9,600,000</b>	<b>\$10,000,000</b>
<b>TDT Revenue as projected by budget office</b>	<b>\$7,225,000</b>	<b>\$9,600,000</b>	<b>\$10,000,000</b>
<b>Interest</b>	<b>\$14,213</b>	<b>\$67,997</b>	<b>\$67,997</b>
PY Savings (applied)	\$572,600	\$0	\$0
PPP Funding (applied)	\$367,600	\$0	\$0
<b>Total Revenue</b>	<b>\$8,179,413</b>	<b>\$9,667,997</b>	<b>\$10,067,997</b>

**Agenda Item #7: Direct Contract Update**  
**TDC Meeting Date: 6/30/2022**

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**REQUESTED ACTIONS:**

- Approve proposed ordinance code revisions, direct contract with VJ, CVB grant contract, travel guidelines, and CVB grant guidelines.
- Approve TDC Executive Director, CoJ Auditors and OGC, and Visit Jax CEO to move forward with crafting legislation to support the ordinance code revisions and the contracts with Visit Jacksonville.
- Set date for a TDC meeting in September to approve contracts following City Council's approval.

**DETAILS:**

Proposed Timeline for TDC/VJ Direct Contract Implementation

June 30, 2022	TDC approves proposed direct contract and ordinance code revisions; TDC directs team to move forward with crafting legislation
July 20, 2022	File legislation for introduction on July 26, 2022 City Council meeting
July 26-Aug. 16, 2022	Legislation in City Council committees for review; meet with Council Members
Aug. 23, 2022,	Legislation receives final approval at City Council meeting
Sep. __, 2022	TDC approves final contract with VJ following City Council approval
October 1, 2022	Implement direct contract



## TOURIST DEVELOPMENT COUNCIL & VISIT JACKSONVILLE, INC. COMPARISON

<b>CURRENT RFP</b>	<b>PROPOSED DIRECT CONTRACT</b>
<ul style="list-style-type: none"> <li>▪ 5-year initial term with 1 5-year renewal option</li> <li>▪ City has ability to terminate contract at any time</li> <li>▪ 3 separate contracts include: Convention Sales &amp; Services, Marketing (requires outside marketing firm on record), Tourist Bureau</li> <li>▪ VJ reimbursed monthly with up to 9 separate payment processes per month; additional funds need approval of TDC prior to rendering services</li> <li>▪ TDC evaluates VJ's performance in first calendar year quarter of each year of contract</li> <li>▪ VJ provides annual financial audit</li> <li>▪ VJ prepares and presents quarterly reports to TDC</li> <li>▪ VJ must adhere to applicable sunshine laws and public records requirements</li> <li>▪ Contract directly tied to performance goals</li> <li>▪ Any funds unspent by VJ at year-end are returned to the TDC</li> <li>▪ Ordinance Code includes specific measurables, requiring City Council approval for any variations</li> <li>▪ No means for unforeseeable emergency expenditures</li> </ul>	<ul style="list-style-type: none"> <li>▪ <i>10-year initial term with 2 10-year renewal options</i></li> <li>▪ City has ability to terminate contract at any time</li> <li>▪ <i>1 single contract includes Conventions Sales &amp; Services, Marketing (no requirement for marketing firm on record), Tourist Bureau</i></li> <li>▪ <i>VJ receives 1/12 disbursement beginning of each month; additional funds need approval of TDC prior to rendering services</i></li> <li>▪ TDC evaluates VJ's performance in first calendar year quarter of each year of contract</li> <li>▪ VJ provides annual financial audit</li> <li>▪ VJ prepares and presents quarterly reports to TDC</li> <li>▪ VJ must adhere to applicable sunshine laws and public records requirements</li> <li>▪ Contract directly tied to performance goals</li> <li>▪ Any funds unspent by VJ at year-end are returned to the TDC</li> <li>▪ <i>Annual Plan includes specific measurables, requiring TDC approval for any variations</i></li> <li>▪ <i>Includes 1% administrative fee for unforeseeable emergency expenditures</i></li> </ul> <p style="text-align: right;"><i>(Italic represents differences in RFP and contract.)</i></p>

## **TOURIST DEVELOPMENT COUNCIL & VISIT JACKSONVILLE, INC. UPDATES & REVISIONS RELATED TO PROPOSED DIRECT CONTRACT**

### **ORD CODE SEC. 70.101-107**

- Changed language to reflect 1/12 disbursement process rather than monthly reimbursement process
- Clarified that the annual tourist development plan is approved by TDC, not Council
- Added two-term limit for board members
- General edits such as changing “his” to “his or her”

### **ORD CODE SEC. 111.600-601**

- Clarified that funds collected from JIA for multi-county operation of the visitor center will be deposited in Chamber Air Service Research & Development fund
- General edits such as changing “his” to “his or her”

### **ORD CODE SEC. 666.101-108**

- Changed references from 3 separate contracts to 1 contract
- Removed individual funding minimums for each plan component; these will be included in the contract
- Changed detailed and specified measurables to be outlined in the annual plan rather than the contract, allowing the TDT to respond in more timely manner to any changes

### **TRAVEL POLICY**

- Changed language to reflect 1/12 disbursement process rather than monthly reimbursement process
- Increased daily airport parking allowance from \$10 to \$12 and gifts for tourism promoters from \$50 to \$60

### **CVB GRANT CONTRACT**

- Changed language to reflect 1/12 disbursement process rather than monthly reimbursement process
- Edited contract to include VJ will administer CVB grants *and sponsorships and promotions*
- Updated from 5-year renewal to 10-year renewal to match main contract

### **CVB GRANT GUIDELINES**

- Changed language to reflect 1/12 disbursement process rather than monthly reimbursement process
- Edited to include processes for administering sponsorships and promotional opportunities