

Tourist Development Council Board Meeting
Minutes – July 8, 2014
Ocean Center Meeting Room 103ABC

Call to Order:

Chair Pat Northey called the meeting to order at 9:00am and wanted it noted Jason Reader arrived before her and most of the other attendees. Mayor Masiarczyk's mother was admitted to the hospital and he will not be attending today's meeting. Introductions were made.

Board Members Present:

Pat Northey, Chair
Lori Campbell-Baker
Tom Clapsaddle
Libby Gallant
Jason Reader
David Rijos

Board Members Absent:

John Masiarczyk
Kelly White
One Vacancy

Approval of Minutes of May 13, 2014:

Motion to accept the Minutes was made by Libby Gallant and seconded by Lori Campbell Baker.

One Daytona Presentation:

Scott Bullock, International Speedway Corporation gave the One Daytona Presentation (power point presentation available upon request).

- Lesa France Kennedy was very adamant that the project would be a legacy for the France family to give back to the community. It was very important to have the right tenant mix and quality.
- Jacoby Development, Atlanta, GA was chosen as the development company.
- Focused on a mixture of restaurants, retail, office, residential, family entertainment, etc.
- Focused on the project being a year round draw with day to day traffic and a regional destination. Want to draw people from Flagler, Seminole, Brevard, Orange, etc.
- The project is broken up into three distinct areas: Victory Circle will be anchored by a Bass Pro Shop; The Blvd – main retail shopping area and anchored to the north with Cobb Theatre; and The Village Market – anchored by a grocery store.
- Plans to bring year long outside activities and events to the area to draw people to One Daytona (i.e., car shows, cirque du soleil type events, concerts, sporting events viewing, etc.).
- \$700M investment at the end of Phase One in 2016. Full build out is approximately \$812M.
- Second pedestrian bridge being planned near Ruby Tuesday's, sidewalk widening (12'-15'), landscaping, One Daytona building is a lead certified green building. They are looking at a property wide lead certification.

Financial Report:

Terri Rueggar, Volusia County Accounting Department, reviewed the Quarterly Financial Report through April 30, 2014 (refer to Agenda Packet). The resort tax revenues are at \$5.06M, total revenues are at \$7.8M, operating expenses are at \$2.8M, which leaves the ending fund balance at \$4.86M. There is \$1.95M in the bond sinking fund to pay off future debt service amounts and \$2.9M is available in the Ocean Center operations account. The resort tax collection is better than anticipated. The transfer of sales tax to the Ocean Center is still at \$1.3M. The budget for fiscal year 2015 was presented to the County Council and in the budget the recommended sales tax transfer is \$880K. This reduction is due to the savings by the refinancing of the bond that was completed in April. This refinancing in total will save the County about \$6.2M in interest over the term of the bond, which is 20 years.

Garage Report:

Teresa Mitchell, Ocean Center Senior Accountant reviewed the Parking Garage Report (refer to Agenda Packet) through April 30th. The Parking Garage continues to do well in comparison to last year. Revenues are at 1.3M compared to \$1.2M for the same time period for the previous fiscal year. Expenditures are at \$800K and we are looking at a positive cash flow of \$517K.

Marketing and Sales Report:

Don Poor, Ocean Center Director presented the Marketing and Sales Report for Angela Daniels.

- Eight site visits completed since last meeting.
- Sales staff has attended 5 shows including, SGMP, Association of Meeting Professionals, Visit Florida Meeting Planner Event, ASAE Springtime in the Park and Collaborate Marketplace.
- Received 18 contracts for May & June.
- Sales staff completed an intensive 3 day sales training through Hospitality Softnet.
- Rental revenue, event days and events are all up from last year.
- Social media is used to promote events in-house.
- Dave Byron and Joann Magley send out news releases to the community on all events. Every event that has a signed lease agreement is listed on the Ocean Center website. We also do human interest stories. We are getting the message out to the public in a number of different ways.
- Joanne Magley reported we recently transitioned our social media to a third party who is responsible for posting a number of times on various events we have at the Ocean Center. Each month we are seeing a rise in followers. As to the audience, it's a combination of locals and industry related folks who want to follow & promote their event when it's coming up. The company we are using is a local company - Little Blogg Dress.
- The November USAG Trampoline & Tumbling event will be televised on NBC and on Sat., 7/5 we had a televised mixed martial arts event broadcast on NBC as well. Great coverage for Daytona!

Ocean Center Status Report:

Don Poor, Ocean Center Director presented the Ocean Center Status Report. Don gave the following Promotional Fund Update (power point presentation available upon request).

- The HAAA Board, at the Council's request, extended some additional funds to the Ocean Center to help to help promote high impact events. \$400K was transferred to us in the first quarter of this fiscal year.
- An additional sales manager was hired to handle corporate and third party bookings. A marketing research position was also hired.
- Both the County Council and the HAAA Board will see this presentation next week.
- Breakdown = Salaries & Benefits \$122K; Travel \$35K; Promotional \$243K.
- The promotional fund was used to backstop (any expenses that they did not get over the revenues they had) the Pan American Games and the Stars and Stripes event that we did in May.
- We have put in a bid to a group and responded to an RFP that is a five year event (2017-2021). As part of their RFP, the successful party that gets the bid would need to pay approximately \$50K per year. The funding would be used to offset transportation, site visits (airfare, hotel stays and transportation), housing services and additional staffing.
- At the request of board members, a Sales Pace Report was put together and distributed (refer to report). Recommendations: add 2012 & 2013 to report; breakdown by segment; do a Pace Report by year; include a definite and tentative line; add hotel room nights. Will come back to the next meeting with a more detailed Pace Report.

Tourism Update:

Evelyn Fine, Mid Florida Marketing & Research, Inc. presented an overall review of what's happening with tourism in Volusia County (refer to report in Agenda Packet).

- Occupancy dropped in April by 3%, however the ADR increased by 1%. Easter fell in April 2013 and this year fell in May.
- April remains an important month for meetings and conventions.
- For May, Volusia County saw an 11% increase in occupancy, 6% increase in ADR and it wound up being an actual 19% in Rev Par. Daytona Beach 12% increase; 20% in Rev Par.
- Airport/Speedway district leads with the highest occupancy due to construction and commercial travel; Daytona Beachside leads with the highest ADR followed by SE Volusia.
- In the month of April almost 24% of the tax collections came from management companies that rent individual condos and homes. This is a substantial shift in the product that's being sold in this area.
- Evelyn congratulated the County for getting the collections for the condos and individual homes. Chair Northey stated that they are working with the Property Appraiser on trying to identify those individuals renting properties. Will ask our staff to get a report together on our efforts.

Update from Partners:**Hotel & Lodging Association – Bob Davis Reported:**

- It was June 2013 at Tom Clapp's saddle's property at one of our major board meetings that we brought forth a gentleman from the Oceanside Inn who was telling us, in Seminole County, how they collected the bed tax on condos and timeshares. Fortunately for us Deb Denys was in the audience, Pat Northey jumped on it and the County hired Bernadette from James Moore to start looking into it. Once she started looking into it we saw a spike in the monies we should have been getting for many years.
- Great news from everyone!!! Hearing about the refinancing of the bond issue, the Parking Garage and Evelyn's report we're only going to get better and stronger because we are working united.

Southeast Volusia Advertising Authority – Carl Watson reported:

- Refer to SVAA Report in TDC Agenda Packet.

West Volusia Tourism Advertising Authority – Renee Tallevast reported:

- Refer to WVTAA Report in TDC Agenda Packet.
- Budget was increased over \$100K for a 30% increase.

Destination Marketing Organization (DBACVB) –Shawn Abbatezza reported:

- Introduction of Tom Caradonio, new Executive Director.
- Filled two open positions; Lori Campbell Baker's position and a sales position filled by Sam Pollack.
- Refer to the HAAA Update in TDC Agenda Packet given by Shawn Abbatezza.

Rijos: Challenge everyone to the shows that we attend and Ad Hoc those shows to make sure they make sense.

Old Business:

No old business.

New Business:

No new business.

Public Participation:

- Big John commented that the east end of ISB properties need help from community.
- Pat Northey reported that she and Jim Morris drove the strip on A1A and observed how people maneuver across A1A and how traffic is handled on A1A because it is a critical tourism link for this county. The TPO will be doing a study specifically addressing pedestrian and safety along A1A. That is my project as Chair of the TPO. Mayor Harry Jennings is scheduled to speak at our next meeting and then maybe after that we need to ask Kelly White to invite leadership from the City of Daytona Beach to come and talk to us about the E-Zone.
- Big John asked Dave Byron about the hiring of Bernadette Britz Parker and if there was any kind of report that came out of that? Dave Byron said he would check on that. Don Poor reported that we did ask Bernadette to give a report to the TDC Board Members but she was in the middle of an audit process. We'll schedule her for a future meeting.
- Next meeting is Tuesday, September 9th at 9am.

Meeting was adjourned at 10:59am.