



SHRINER PAYOFF? Daytona area assesses return from convention investment

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Posted Jul 23, 2017 at 3:04 PM

Updated Jul 23, 2017 at 3:04 PM

DAYTONA BEACH — When the Shriners Imperial Session held its convention meetings at the Ocean Center this month, the county-run convention center offered complimentary space that would have been worth \$79,900 if the organization had been charged for it, records show.

The contribution was part of nearly \$400,000 in publicly funded incentives and in-kind services offered so far to the Shriners to encourage the group to book back-to-back conventions in Daytona Beach in 2017 and 2018. Although initial figures seem to indicate that convention attendance fell short of estimates, the same deal will apply at the Ocean Center when the Shriners return for their convention slated for July 15-19, 2018.

Also among the funding, the Halifax Area Advertising Authority, which oversees the Daytona Beach Area Convention & Visitors Bureau, approved expenditures of \$225,400 for the 2017 convention, according to Lori Campbell Baker, visitor bureau executive director.

The HAAA is one of three tourism ad authorities in Volusia County that uses bed taxes collected by the county from local hotels, campgrounds and short-term vacation rental properties to promote the respective areas as destinations for tourism and special events. The HAAA has \$129,000 budgeted for the 2018 convention, Baker said.

The city of Daytona Beach also contributed in-kind services to the event, mainly in the form of personnel costs associated with operating the Peabody Auditorium, the Daytona Beach Bandshell and hosting the Shriners Parade along State Road A1A, said city spokeswoman Susan Cerbone. Costs are still being assessed, Cerbone said.

At the Ocean Center, the in-kind contributions included \$63,500 for move-in and use of the center's exhibit hall and arena over eight days; \$11,900 for use of smaller meeting rooms for six days; and \$4,500 for use of the ballroom on three days, according to Ocean Center records.

In addition, the Ocean Center also provided \$30,000 from its promotional fund to cover a portion of transportation costs, a county spokeswoman said.

The use of such incentives can vary, said Angela Daniels, the center's director of sales, marketing and event services. Groups can apply for promotional funding if they meet a certain room criteria.

"The Ocean Center provides different incentives for different groups," Daniels said by email. "Every piece of business is unique."

For example, the recent Daytona Truck Meet received no incentives from the Ocean Center for its recent gathering, an event that generated a multitude of complaints for traffic and obnoxious behavior. Nor did the State Cheer & Dance Competition, an event that drew a crowd of 14,094 to the Ocean Center in 2016, Daniels said.

Fire Rescue East, a firefighter convention that drew 8,000 attendees, received \$10,000 from the promotional fund, the only money to be paid to a group from the fund this fiscal year, Daniels said. In the Shriners case, the Ocean Center sacrificed rental revenue that the convention otherwise would have yielded.

"The Ocean Center's responsibility is to be an economic engine for the community," Daniels added. "The economic impact would be the visitors' spending at hotels, restaurants, gift shops and attractions. Even though the Ocean Center did not receive rental revenue from this event, hopefully the economic impact generated would be the driving force in having groups such as the Shriners."

What impact the convention had on the area's tourism industry is still uncertain.

On the positive side, Baker said this week that the visitors bureau received word that three additional groups representing individual Shrine temples have booked more meetings in Daytona Beach.

“Two at the Hilton and one at The Shores,” Baker said by email. The convention introduced Daytona Beach to “many Shriners from around the world who experienced the destination for the first time and intend to return for vacation.”

At the same time, attendance at some convention activities seems to indicate that the event fell short of initial attendance estimates that ranged from 10,000-20,000, according to the Shriners and the visitors bureau.

At the Ocean Center, 2,800 seats were allotted for each of the convention’s two major arena gatherings. Daily visitor counts at the Shriners marketplace, a flea-market-style event open to the public inside the Ocean Center through the convention, ranged from 696 to 2,971, according to county figures.

The Shriners parade along State Road A1A from SunSplash Park to the Ocean Center drew a crowd of 7,000 spectators, according to the city of Daytona Beach.

An official estimate of Shriners attendance will take several weeks, said Baker and Evelyn Fine, president of Mid-Florida Marketing & Research.

“It would be unusual for us or anybody else to make any statements about how many people were here until we look at occupancy or average daily room rates,” Fine said. “Those figures aren’t available until the middle of the following month, so the middle of August would be when we have July numbers. We will be asking for Shriners data as separate information from the hoteliers.”

So far, anecdotal reaction to the Shriners visit was generally positive from more than a dozen hoteliers, restaurant managers and business owners contacted by The News-Journal.

“The Shriners convention was the key driver of substantial growth same week year over year for the Hilton,” said Jim Berkley, general manager of the 744-room Hilton Daytona Beach Oceanfront Resort, the area’s largest hotel and a headquarters hotel for the Shriners. “We are extremely pleased with the results. We truly look forward to next year’s convention as it is a very worthwhile event for our destination’s economic health and exposing new travelers to beautiful Daytona Beach.”

Some guests for next year’s convention already have made their bookings at the 212-room Shores Resort & Spa in Daytona Beach Shores, said Rich Byrd, the hotel’s general manager.

“We did sell out,” Byrd said. “We had the overflow from the center of town here, and the bus transportation worked out fine. We’re hoping they will tell some of the others that didn’t come how good it was and next year we’ll get that 15,000 people.”

Shriners picked up 70 percent of their rooms blocked at beachside properties owned and managed by Daytona Beach-based Premier Resorts & Management, said Domien Takx, the company’s corporate director of operations. Premier properties include Hilton Garden Inn; Holiday Inn Hotel & Suites; Best Western Daytona Inn Seabreeze; and Ocean Breeze Club Hotel, all in Daytona Beach; as well as the Holiday Inn Express & Suites, Daytona Beach Shores.

“While this may not be as much as originally planned, it was still a very healthy piece of business for our hotels, with a positive impact on both room and food and beverage sales,” Takx said by email. “July is typically a strong month without a citywide event, but this year and next it will be easier to sell all of our available inventory.”

At the Oceanside Inn, a 170-room beachside hotel at 1909 S. Atlantic Ave. in Daytona Beach, Shriners picked up 90 percent of a block of 170 rooms, which represented the entire hotel, said Randy Goodell, Oceanside general manager.

“We were sold out,” Goodell said. “They didn’t pick up all of the block, but we were able to re-sell the balance to regular people, so it worked out pretty good. We did a lot better because they (Shriners) stayed into the week. Even in the summer, occupancy goes down during the week. So during that week they kicked it up significantly.”

Several beachside restaurants also reported upticks in business because of the convention.

“With the Shriners in town, we had a 30 to 35 percent boost in revenue for the week,” said Joe Saccone, the Cleveland, Ohio-based president of Hyde Park Prime Steakhouse in the Hilton Oceanfront. “Normally, it’s a good time of year for us anyway, because of the weather and everything down there.”

Shriners also had an impact on Stonewood Grill & Tavern and Peach Valley Café restaurants in the area, said Steve Papero, president and CEO of Daytona Beach-based Stonewood Holdings, parent company of those brands.

“Definitely, the Shriners had an impact on our restaurants locally, especially the Stonewood in Ormond,” Papero said. “We saw a definite uptick in the Peach Valleys as well, but not as significant as we did in the dinner-only restaurants, the Stonewoods.”

Likewise, business was up 20 percent at Caribbean Jack’s, on the west side of the Halifax River in Daytona Beach, said Bob Scott, the restaurant’s general manager.

“We got a lot of Shriner business, both walk-in and reserved parties,” Scott said. “We have a private dining room and it stayed full the whole time. We even got bookings from them for 2018, so we’re expecting to be busy again next year.”

The Starlite Diner, north of the Ocean Center on State Road A1A, also enjoyed a boost from the Shriners, said co-owner Pete Polzella.

“Business that week was probably up 25 to 30 percent over same time last year,” Polzella said.

Meanwhile, the Ocean Deck, a beachfront fixture at 127 S. Ocean Ave. in Daytona Beach, offered a mixed review of the convention’s impact.

“They had a lot of big parties here, but when they had the parade on Tuesday it shut down the roads, so it crushed our business,” said co-owner Matt Fuerst. “We lost all of our dinner business on Tuesday night, basically, so we basically broke even.”

Business for the week was slightly off at Beach Express souvenir store at 101 S. Atlantic Ave., said owner Gary Koliopulos.

“They have to stay in hotels; they have to eat, but souvenir-wise it’s not that great of an impact,” Koliopulos said. “The thing that bothered a lot of business people is that we committed the middle of July, our busiest time of year. I didn’t realize we had committed so much public funding to support that, but you’ve got to try different things. You never know what’s going to work out.”

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