

Leon County Tourist Development Council

Minutes of the January 27, 2009 Meeting

MEMBERS PRESENT: Russell Daws, Chairman
Georgia Ackerman
Chucha Barber
Mickey Brady
Commissioner John Dailey
Commissioner Allan Katz
Mayor John Marks
Sam Patel
Michelle Wilson

STAFF PRESENT: Ken Morris
Kaye Strong-Hogan
Wanda Barnard

GUESTS PRESENT: Sharon Liggett, TACVB
Brian Hickey, TACVB
William Brown, *Tallahassee Democrat*
Carrie Blanchard, City of Tallahassee
Cathy Branch, City of Tallahassee
Jay Revell, Commissioner Dailey's Office
Marc Bauer, Hotel Duval
Pace Allen, Paden Properties LLC

Call to Order - The meeting was called to order at 10:35 a.m. by Chairman Russell Daws. Chairman Daws extended a warm welcome to new TDC members Georgia Ackerman and Commissioner John Dailey. He also welcomed Mayor John Marks and Commissioner Allan Katz. Commissioner Dailey introduced Jay Revell, an Intern in his office and a senior at FSU. Guests recognized were Pace Allen, Paden Properties LLC, Marc Bauer, Hotel Duval, and Will Brown, *Tallahassee Democrat*. Ms. Ackerman expressed excitement for the opportunity to serve on the TDC. Commissioner Dailey stated that he is proud to be a part of the TDC and noted that the TDC's voice will be reflected back to the Board of County Commissioners.

Request for Additional Agenda Items – Mickey Brady stated that he would like to discuss the proposed 5th penny. Sam Patel stated that he would like to discuss the role of the executive director in regards to the Economic Development Council. Chairman Daws would like to discuss the TDC's authority in terms of reviewing expenditures of the Tourist Development Trust Fund.

Items for Consent Approval – Commissioner Katz moved, seconded by Commissioner Dailey, to approve the following Items for Consent. The motion carried unanimously.

1. November 18, 2008 Meeting Minutes
2. November 24, 2008 Special Meeting Minutes
3. Direct Marketing and Convention Services
4. Financial Reports November, FY2008/December FY2009
5. Total Year-to-Date Bed Tax Collections

General Business – Chairman Daws pointed out that the agenda will be taken out of order to accommodate the Sports Council Director who has another meeting.

Refund of Advertising Funds – Visit FL Getaways Guide - \$4,250 – Ken Morris reported that the Visit FL Getaways Guide for 2009 was canceled due to not having an advertising contract in place. The TDC had already paid Miles Media for the ad, so The Zimmerman Agency issued a check to the TDC for reimbursement in the amount of \$4,250. Sharon Liggett asked if those funds would be made available to the TACVB. Ken Morris stated that it would be a TDC decision.

Refund of Marketing Funds for Southeast Sports Festival (\$9,000) – Ken Morris reported that the TDC issued a grant in the amount of \$9,000 for the Tallahassee Sports Council to host the Southeast Sports Festival which was held in August 2008. The TACVB was not aware that the Sports Council received a grant from the Florida Sports Foundation in the amount of \$9,000. Therefore, the TACVB issued reimbursement to the TDC in the amount of \$9,000.

Refund of Marketing Funds for Amateur Softball Assn. Tournaments (\$10,000) – Ken Morris reported that the 2008 ASA Men's Industrial Slow Pitch National Championship Softball Tournament was awarded to Tallahassee in November 2006. The event fees of \$10,000 were paid by the TACVB and then reimbursed by the TDC. The event was canceled due to the rain of Tropical Storm Fay. The ASA reimbursed the TACVB for the \$10,000 event fee, and the TACVB issued a check to reimburse the TDC.

FHSAA Cheerleading Tournament 2010 – Brian Hickey reported that in September 2008, funding for the 2009 FHSAA Cheerleading event was approved by the TDC in the amount of \$65,000. The TACVB is in the process of finalizing the contract which includes the 2010 event. In order to finalize the contract, the Sports Council requested approval of funding the 2010 FHSAA Competitive Cheerleading Championships for \$65,000. After discussion, Commissioner Dailey moved, seconded by Commissioner Katz, to tentatively approve funding for the 2010 event in the amount of \$65,000. Motion carried unanimously.

Florida's Sunshine State Games - \$90,000 – Brian Hickey reported that the Tallahassee Sports Council (TSC) submitted a bid for the Florida's Sunshine State Games for the years of 2010, 2011, 2012 and/or 2013 (second week in June). In the request for proposal by the Florida Sports Foundation, the original timeline for the announcement was February. The announcement will potentially be pushed back towards the end of the legislative session to evaluate any budget cuts the Florida Sports Foundation may encounter. Looking at the current economic climate, the Florida Sports Foundation is evaluating different ways of continuing to run the event as inexpensively as possible. With the Foundation headquarters in Tallahassee, the Foundation would have a large cost savings by eliminating travel and running the event locally. Mr. Hickey provided visitor impact results from the 2004 event that was held in Tallahassee. Based on the budget from 2004, the event will cost approximately \$90,000 per year. The budget will include coverage for all venue rentals, medical, security and hospitality. The TSC requested support from the TDC in the amount of \$90,000. After discussion, Commissioner Katz moved, seconded by Commissioner Dailey, for the TSC to move forward with their bid. Motion carried unanimously. Mr. Hickey pointed out that there is no guarantee that the bid will be awarded to Tallahassee. Chairman Daws requested that Mr. Hickey come back before the TDC if he gets a sense that the \$90,000 will significantly change.

Appeal for additional Special Event Grant Funding for FAMU Track & Field Relays – Brian Hickey reported that FAMU Track and Field was awarded \$1,500 for the relays during the grant cycle approved at the September 23, TDC meeting. FAMU is requesting an additional \$2,000 to equal the level of funding received during the 2008 grant cycle. Upon review, the TSC recommended approval of additional funding of \$2,000 (total \$3,500) to FAMU Relays.

Appeal for additional Special Event Grant Funding for Robert Jackson Memorial Softball Tournament – Brian Hickey reported that Robert Jackson Memorial was awarded \$6,000 for their event during the grant cycle approved at the September 23 TDC meeting. They are requesting an additional \$4,000 (total \$10,000) to equal the level of funding received during the 2008 grant cycle. Upon review, the TSC recommended approval of additional funding of \$4,000 for the Softball tournament.

Chairman Daws asked if either of these events would still occur without the additional funding. The Mayor indicated that the FAMU Relays would still occur and the question is whether or not the TDC wants to increase the volume of the event. Michelle Wilson stated that the TDC just recently awarded grant funds to FAMU and she would like to see a report of how those funds were used before providing additional funding. Sam Patel concurred with Michelle. Commissioner Katz stated that he would also like to see a report before making a decision. Ken Morris noted that a report has been received from FAMU and he is waiting for a report from FSU. Chairman Daws pointed out that setting a precedent of resetting and restoring grants would open the door for anyone to come back and

ask for additional funding. Hearing no motions for approving additional funding, Chairman Daws stated that both grants will stand as is.

Committee Reports

Program Review Committee - Mickey Brady reported that the committee should be able to finalize their report for presentation at the March 17 TDC meeting.

Finance/Policies and Procedures Committee - Mickey Brady reported on the November/December 2008 Financial Reports. He pointed out the increase in November actuals for salaries and wages was due to the lump sum payment made to the former director which was approved by the Board of County Commissioners. He pointed out that collections are \$46,000 behind for the first three months of the year. He noted that January was not a good month for his property and feels that it was the same city wide. He distributed copies of a spread sheet he prepared which reflected how he anticipates the year to end. The year end estimated revenue was adjusted downward by 3%. Mickey stated that he hopes it will only be 3%, but it might be more. Sam Patel pointed out that other hoteliers that he has spoken with are all down more than 3%.

Commissioner Katz moved, seconded by Mayor Marks, to accept the financial reports as presented. Motion passed unanimously.

Special Event Grants – Michelle Wilson reported that the Special Event Grants Committee has completed revamping the grant application and they are now working on a Transportation Grant.

Update on Executive Director Selection Process – Ken Morris reported that he e-mailed a copy of the agenda item on action taken at the November workshop of the Board of County Commissioners (BCC). This included the change in the TDC Director's job description to include Economic Development. Ken stated that the county anticipates that it will take only 20 to 25% of the director's time. Human Resources stated that there is no additional impact on the salary, so it will remain the same. Ken reviewed the Tourism Development Transition Plan which included the selection and hiring of a tourism consultant to conduct a tourism assessment of the Tallahassee-Leon County area. Commissioner Dailey stated that he will attempt to find funding for the consultant from general revenue rather than from TDC funds. Chucha Barber stated that the former TDC director played a major role in creating the Strategic Plan and there was interest on the part of that individual to influence the commissioners. She noted that at the workshop, it was clear that the commissioners did not understand the relationship between the TDC and the TACVB. She pointed out that she has seen on many occasions where organizations bring in outside experts when they have people sitting around the table who have all the

information they need. She suggested having dialog with the BCC before hiring an outside consultant.

5th Cent Tourist Development Tax – Ken Morris reported that consideration of levying the Tourist Development Fifth-Cent Tax is on the agenda for the next BCC meeting. He noted that the staff recommendation is to levy the fifth-cent and to prepare a draft ordinance and include direct funding for the Council on Cultural Arts (COCA). He stated that currently, no out-year funding source has been identified for COCA, and adequate resources are no longer available in the existing three-cent fund balance to sustain the current \$654,000 in annual funding. He pointed out that utilizing a portion of the fifth-cent tax (\$500,000) to fund a portion of a \$2 million guarantee fund with the City of Tallahassee and the State of Florida for Delta Airlines is on hold pending the County Attorney's opinion. Commissioner Katz stated that the fourth-cent tax, which was dedicated to the Performing Arts Center, could be redirected should the County choose to do so. He stated that he feels the County should look at the decision they made on the Performing Arts Center because \$800,000 a year has been put into something that is not likely to happen. He suggested consideration of redirecting some of the fourth-cent until times get better. He also stated that he does not feel that the fifth-cent tourist tax will discourage people from staying in Tallahassee.

Chucha Barber reported that no one has seen a business plan from the Performing Arts Center. She noted that it was called the "Cultural Plan" and it has been a long time since anyone has seen the plan. She stated that she would like to re-evaluate the whole mix of how bed tax dollars are spent.

Chairman Daws pointed out that the TDC has an obligation to put as much money in destination marketing so as to insure the biggest bang for the buck. He stated that he does not feel that efforts are being maximized in getting visitors to Tallahassee.

Commissioner Dailey stated that he has heard great comments from everyone around the table and he will carry the message back to the Board of County Commissioners. He noted that he understands the concerns of the industry regarding the fifth-cent tourist tax. He pointed out that no decision is final until a vote is taken, but stated that if a vote was taken today, he would support the fifth-cent. He emphasized that his door is open and he is willing to listen. He also emphasized that he is a strong supporter of the cultural arts and the Performing Arts Center. Sam Patel strongly emphasized the need to maximize the four pennies before raising the tax.

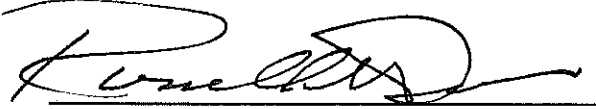
In closing the meeting, Chairman Daws stated that FAMU has submitted a report and a report from FSU should be forthcoming. He pointed out that a formal request should be made to COCA for a report of how 07/08 grants funds were

disbursed. He also stated that the TDC should request an accounting of funds provided to Goodwood Museum.

Ken Morris stated that the first report on funds disbursed for the Performing Arts Center is due from the CRA in late March. He will provide a copy to the TDC at a subsequent meeting.

Chairman Daws then recognized Mr. Pace Allen, who requested that tourist taxes not be raised. He also requested that the fourth-cent tourist tax be redirected to advertising and promotional programs that will make Tallahassee proud.

Being no further business, the meeting was adjourned at 12:15 p.m.



Russell S. Daws, Chairman



Attest: Wanda Barnard