



**TOURIST DEVELOPMENT COUNCIL  
MARCH 22, 2017 – 2:00 P.M.  
CROWNE PLAZA, INDIALANTIC**

The Tourist Development Council met on March 22, 2017 at 2:00 p.m. The meeting was held at the Crowne Plaza, Indialantic. Members present were: Chairman Jim Ridenour, Tom Williamson, Bob Baugher, Laurilee Thompson, Tim Deratany, Puneet Kapur. Absent members were: Commissioner Jim Barfield, Mayor William Capote, Tim Deratany. TDC Staff present: Eric Garvey, Tom Bartosek, Candace Narmore, Stacy DeLano, Tiffany Minton.

**WELCOME AND INTRODUCTIONS –CHAIRMAN JIM RIDENOUR**

Guests present were: Becky Behl-Hill, Assistant County Attorney; Samuel C. Lopez, Council Woman Teresa Lopez, Dr. Nelly Cardinale, Terry Muller, John Browne Ayes, Lorena Scott, Carmen Ayes, Jose Navarro, Steve Ganthier, Charlie Rivera, Ann Poole, Lisa Pena, United Third Bridge and Puerto Rican Chamber of Commerce; Neil Levine, Brevard Cultural Alliance; Charlie Rivera, Steve Ganthur, East Coast Alarms; Barb Eager, Brevard Nature Alliance; Suzanne Witenhafer, Proforma Arrow Solutions; Danny Cruden, Grills/Sunrise Marina; John Kinney, Tank America; Pam Rothenberg, Tuckaway Shores; David Poston, Port Canaveral; Ray Nau; Dave Seehafer, Boards and Waves Expo; Dave Berman, *Florida Today*; Naseer Muttalif, 360 Hospitality; Liz Alward, District 3 Commission Office; Keith Winsten, Brevard Zoo; Tom Hermansen, Ocean Partners; John Belden, Wayne Belden, *Space Coast Fun Guide*.

**APPROVAL OF AGENDA:**

Board members were asked to disclose any Conflict of Interest with any agenda items and/or any business relationships between the Board. None were disclosed.

**ACTION: Baugher moved to approve the Tourist Development Council March 22, 2017 meeting agenda with no changes. Kapur seconded the motion and the motion was unanimously approved.**

**APPROVAL OF MINUTES:**

**ACTION: Thompson moved to approve the Tourist Development Council minutes of February 22, 2017 with the correction Jim Ridenour chaired the meeting. Williamson seconded the motion and the minutes were unanimously approved.**

#### **DISCOVERY OF PONCE DE LEON DOCUMENTARY – SAMUEL LOPEZ**

Samuel Lopez and Dr. Nelly Cardinale, United Third Bridge, gave a presentation about a documentary they would like to see done on Ponce de Leon to include his landing on Melbourne Beach. They explained that comprehensive historical research shows that Juan Ponce de León was not looking for a fountain of youth, and that on April 2, 1513 he landed near Melbourne Beach, 125 miles south of the previously accepted site of his landing, St. Augustine.

Colonel Peck, a retired US Air Force Command Pilot, used his expertise as a professional navigator as well as a historian, and re-sailed the voyage using Juan Ponce de León's detailed navigational log to confirm this. He determined, in an accurate and scientific manner, exactly where Juan Ponce touched shore or anchored on his 7,980 nautical mile voyage.

Lopez asked the TDC to approve \$35,000 in funding for "Discovery of Ponce de Leon Documentary". The total cost of the project is \$79,000. Lopez said the impact this film can have on tourism will be tremendous.

Baughner said he would like to support this project. Baughner asked Lopez when the unfinished work would be complete on the Juan Ponce de León Statue.

Lopez said they are working to get that done.

Johnson asked what is being done to raise other funding needed to pay for the rest of the \$79,000 needed to complete the project.

Thompson said the presentation was very well done. Thompson said the Maritime Industry will be very interested in this project.

Williamson asked Lopez if he could get the Historical Society in Spain to support this project.

Lopez said he was working in the past on that but due to circumstances it did not move forward.

**ACTION: Williamson suggested Lopez come back with detailed scope of work including where the other funding will come from for the Discovery of Ponce de Leon Documentary. The consensus of the TDC agreed with Williamson.**

## **TDO DIRECTOR COMPENSATION AND JOB PERFORMANCE COMMITTEE – TOM HERMANSEN**

Director Compensation and Job Performance Committee: Tom Hermansen gave a formal presentation on the findings of the Director Compensation and Job Performance Subcommittee. Bob Baugher, Tom Hermansen and Keith Winsten served on this Subcommittee. The Committee, recommends the TDC to approve recommendation that Brevard County increase the salaries of most of the Space Coast Office of Tourism staff due to the fact they are underpaid compared with their peers in other parts of the state.

Highlights from this presentation are as follows:

The study shows TDO Director Eric Garvey has a salary of \$112,909 a year. That is 37 percent less than the average salary of \$154,792 for his counterparts in Florida. The study recommends that Garvey be given a \$26,404-a-year raise, bringing his salary to \$139,313, which would put him at a level that is 90 percent of his counterparts.

The study also shows the need for salary increases for nine other TDO Staff who are paid below the state average, bringing them up to 90 percent of the salary levels of their counterparts. Garvey and four other staff members are paid at least 30 percent less than their peers in Florida. Salary increases for Garvey and Staff total 90,618.

Committee member Tom Hermansen cited the work that Garvey and his staff have done since Garvey took his position in late-2014. For example, annual revenue from the county's 5 percent Tourist Development Tax on hotel rooms and other short-term rentals increased 35 percent since 2014, rising to about \$13.6 million a year, an increase of about \$3.5 million.

Tourist Development Tax collection is a key measure of Space Coast tourism. That industry is estimated to be responsible for \$1.93 billion-a-year in spending within Brevard County.

Additionally, Garvey reduced the agency's travel expenditures by 77 percent (about \$200,000 a year) and decreased the agency's expenses for contracted marketing services by 61 percent (about \$509,000 a year), bringing more of that work in-house.

By making this investment the TDC will work to secure our best-in-class staff. It represents a marginal cost, relative to the ongoing success this team has achieved, which pays dividends to the entire county, via greater economic activity.

Committee member Keith Winsten said it is very important to invest in staff. Not investing in staff is shortsighted. Filling a vacancy in a key staff position could result in a six- to nine-month loss in productivity, as the new hire gets up to speed.

Committee member Bob Baugher said the county doesn't want to lose Garvey and other key staff members, including employees Garvey brought onboard after he took the position. The TDC has found a winning formula here and the need to invest in staff to make sure they stay. The TDC could lose its tourism leaders to other markets if it doesn't pay them more. The TDO has shown tremendous improvement in operational efficiency and results over the last three years. The TDO does more with less.

**Kapur moved to forward this information and recommendation to recommendations to the county manager's office for consideration. Johnson seconded the motion and the motion was unanimously approved.**

### **DIRECTOR'S REPORT – ERIC GARVEY**

**TOURIST DEVELOPMENT TAX REVENUE:** January collections were an upside surprise, up +17% over previous year. STR report indicates an increase in hotel revenue of 7.9% and indications are that the Spring Break high season is meeting expectations. Slower YoY growth is anticipated to a more sustainable 6%-7% over the high season months. The good news is momentum is strong and budget revenue surplus through the first half of the fiscal year.

**FEBRUARY STR REPORT:** The STR Report for February 2017 shows a slight decline in Occupancy Rate offset by a significant increase in ADR. Room Revenue county-wide is up 7.9% over last February. Results are in line with competitive markets. Orlando achieved a 3.9% increase in Rooms Sold/Room Demand compared to +1.3% for Brevard County.

**TOURISM DAY AT THE CAPITOL:** Garvey thanked TDC members and hospitality representatives who attended Tourism Day at the Capitol. The focus of the activity is to oppose efforts to greatly restrict Visit Florida's ability to effectively operate. HB09 is the House bill which provides for those restrictions, and was passed out of the House by less than a veto-proof majority. House members of the local delegation all voted for the bill with the exception of Rep. Plasencia. Rep. Goodson, Altman and Fine all voted in favor of the bill. There is not a companion bill in the Senate, and Senate leader Latvala pledged to the industry that he will not allow the effort to move in the Senate.

**LORI WILSON PARK:** Meetings with key stakeholders including City of Cocoa Beach elected officials, management and concerned citizens are underway. The first phase of public input will begin in early April. AECOMM has been contracted to provide landscape architecture input on the initial design concepts.

**DINOSAUR MUSEUM IN COCOA BEACH:** The Dinosaur Museum is still expected to open on April 22, 2017.

**USSSA GROUNDBREAKING:** TDC members are invited to attend the groundbreaking of the USSSA Space Coast Stadium Complex on April 27<sup>th</sup>. Work has begun on the stadium field, and turf will soon be installed. The County has agreed to purchase lights and turf directly since those items will become part of the County's asset, and will save sales tax. USSSA expects the stadium to be ready to host professional

fast-pitch softball games starting in July. Complex should be ready for events in September 2017. A full schedule of activities will begin in the 4<sup>th</sup> quarter of 2017. More information will be shared once USSSA staff makes the move from Osceola County in April.

**MARKETING PLAN UPDATE:** Marketing plan will be revised to include additional budget available in the mid-year budget adjustment. Recommendations will go to Marketing Committee in Mid-April, then to TDC in late April.

**TOURIST DEVELOPMENT TAX LOCAL TAX PLAN CHANGES – 4<sup>TH</sup> CENT:** Working with County Attorney to develop the language to change the local tourist tax plan to allow more of the 4<sup>th</sup> cent to be used for Promotion/Advertising. This ordinance change requires public notice and a super majority vote by the Board of County Commissioners. The language of the ordinance change will be brought to the TDC, then to the Board of County Commissioners for approval to advertise and then final adoption. The goal is to get approval prior to final budget development so changes can be integrated into FY2018 budget.

**FY2018 BUDGET:** Budget development already underway. Looking to continue to grow Promotion/Advertising programs as a priority.

**SAVE THESE DATES:**

- 2017 UF Tourism Summit – April 26-27, 2017 – Disney’s Boardwalk Inn, Orlando, FL
- 2017 Florida Governor’s Conference on Tourism – August 28-30, 2017 – Diplomat Resort & Spa, Hollywood, FL

Ridenour encouraged everyone to attend.

**FINANCE REPORT – STACY DELANO**

**TOURIST DEVELOPMENT TAX REVENUE:** DeLano stated Tourist Development Tax Revenue exceeded one million in January 2017 at \$1,149,050, reporting 16% over last January and 16% over the budgeted projection. Promotion and Advertising expenditures through February 2017 have encumbered 27% of its budget. All other expenditures are reporting normally. There are some slight timing issues with payment of expenditures but overall spending is beginning to catch up as the second quarter of FY2016-17 ends. Total expenditures have encumbered 11% of the FY2016-17 budget as of February 28, 2017. As payments for the Emergency Hurricane Matthew Sand Placement and planned Beach Improvement projects (budgeted at \$11,398,297), the Gateway Digital Visitor Information Bike Share Stations project in Cocoa Beach (budgeted at \$125,000), and the Space Coast Stadium USSSA Renovations project (\$10,000,000) begin to move forward in the end of the second quarter and through the third quarter, this percentage will increase, as these projects represent 70% of the overall FY2016-17 operating budget.

DeLano reviewed the 4th Quarter for FY 2015-16 Reconciled Statement of Activities. A detailed report was included in the packet.

**ACTION: Williamson asked DeLano if she could add FY year- to- date column or switch it to 4<sup>th</sup> quarter actuals.**

DeLano said she would see what works best and make the change if possible.

**ACTION: Baugher moved to approve the Financial Report. Williamson seconded the motion and the motion was unanimously approved.**

## **MARKETING COMMITTEE REPORT – BOB BAUGHER**

### **MARKETING UPDATE – TIFFANY MINTON**

Minton gave a marketing update. The Project Time Off (PTO) campaign has performed very well since the launch on Jan. 30. Project Time Off campaign has ended. The following are the KPIs for the campaign.

- Email lead generation –
  - Goal: 500
  - Actual: 2,393 entries
- Shares on social media –
  - Goal: 200
  - Actual: 395 shares from the Thank You page
- Website link Clicks –
  - Goal: 5,000
  - Actual: 102k across CB and M&B landing pages

Email lead generation in February are as follows:

Delta SKY Sweepstakes

- 3,562

Project Time Off

- 2,393

Other (microsite sign up, etc.)

- 1,169

Total: 6,829

Other KPIs

New Facebook Fans: +5.6k

Room Nights booked via Room Knights:

- Goal: 25 in February
- Actual - 144 room nights; \$23,695 in room revenue

## **Economic Impact Survey Update – Deborah Webster**

Webster stated the TDO has partnered with FIT to conduct a year-long study on the Economic Impact of visitors to Brevard County. The purpose of this study is to better understand the travel and spending habits of visitors to Brevard County. The survey results will allow the TDO to gather email addresses to re-target and encourage return visits, capture visitor preferences and the thoughts visitors have about Space Coast destinations.

Webster stated FIT will create 3 publications containing; survey metrics & data analysis and an editorial drilldown of specific Tourism related topics and spotlight innovations. The survey will have 4 survey gathering tools, and is scheduled to last 12 months, have 22 plus hotels participating with 2,500 surveys being completed.

**SALES ACTION TEAM UPDATE:** A Sales Action Team update was distributed.

**FEBRUARY 2017 PR NEWSWIRE REPORT:** Garvey gave the February 2017 PR Newswire Report. A detailed report was e-mailed to TDC Members.

**SPACE COAST BIRDING AND WILDLIFE FESTIVAL -** Suzanne Witenhafer, Proforma Arrow Solutions, gave the Space Coast Birding and Wildlife Festival (SCBWF) Survey Results. The event was a major success with a total economic impact of \$841,615.

Witenhafer stated a registration questionnaire was completed by 835 of the 938 registrants. Participants came from the areas listed below.

- 13% were Brevard locals
- 40% came from 34 other Florida counties
- 47% came from 39 other states encompassing all regions of the United States
- 1% (27 people) came from 10 other countries: Brazil, Canada, Costa Rica, France, Guatemala, Panama, Portugal, South Africa, Uganda and United Kingdom.

Many more statistics were presented. A detailed report of all survey results was distributed.

## **SPORTS COMMISSION – TOM WILLIAMSON**

Williamson stated the Sports Committee met on March 16, 2017 Sports Committee Meeting. The Sports Committee reviewed the new Sports Event Grant Policy and Sports Grant Application as well as the Sports Financial Report. The TDC Sports Committee recommends the TDC approve of the Sports Financial Report, Sports Events Grants Policy and the Sports Grant Application.

**ACTION: Thompson moved to approve the Sports Events Grants Policy and the Sports Grant Application. Kapur seconded the motion and the motion was unanimously approved.**

**ACTION: Johnson moved to approve the Sports Financial Report. Baugher seconded the motion and the motion was unanimously approved.**

### **CULTURAL EVENTS COMMITTEE REPORT – PK KAPUR**

Kapur stated the Cultural Committee met on February 27, 2017. The Cultural Committee reviewed the Cultural Financial Report and recommends TDC's approval.

**ACTION: Johnson moved to approve the Cultural Financial Report. Baugher seconded the motion and the motion was unanimously approved.**

### **BEACH IMPROVEMENT COMMITTEE – LAURILEE THOMPSON**

Garvey presented before and after pictures of the South Beaches Dune Restoration Project.

### **OTHER BUSINESS:**

Johnson asked TDC members to approve sending a letter in support of funding for the National Park Service (NPS). NPS faces a growing challenge in adequately maintaining its sites to ensure that visitors can experience the parks' natural beauty and learn about our nation's history. After decades of underfunding, NPS has an infrastructure repair backlog estimated at \$11.9 billion (FY 2015). This includes crucial repairs to aging historical structures and thousands of miles of roads and trails, bridges, tunnels, sewers, drainage, and other vital infrastructures.

To address the backlog and put our national parks on sound financial footing for the future, we must do the following:

- Create a guaranteed federal fund that will chip away at the estimated \$11.9 billion backlog over time.
- Implement policy reforms, such as entry and vendor fees, that will help to prevent repair backlog from accruing to begin with.
- Direct more Highway Trust Fund dollars to NPS, as half of the estimated \$11.9 billion backlog is attributed to the 10,000 miles of roads and hundreds of bridges and tunnels that NPS must maintain and repair.
- Provide additional opportunities for public-private opportunities to address infrastructure repair.

**ACTION: Thompson moved to approve sending a letter in support of the National Park Service to receive guaranteed federal funding for infrastructure repair needs. Kapur seconded the motion and the motion was unanimously approved.**

Meeting adjourned at 4:00 p.m.