

Minutes of the Tourist Development Council Meeting
December 14, 2021

Present: David Bear, Chairman
Mary Hoxeng
Jared Moore
Mitesh Patel
James Reeves
Ronnie Rivera
Shirley Cronley
Robert D. Bender, District 4 Commissioner

Location: Ernie Lee Magaha Government Building, Board Chambers, First Floor
221 Palafox Place, Pensacola, Florida 32502

Minutes prepared by Tina Arroyo

Regular TDC Meeting

1. Call to Order
Chairman Bear called the Regular Meeting of the Tourist Development Council to order at 3:04:14 PM
2. Public Speakers
No Speakers
3. Approval of Prior TDC Minutes from October 12, 2021

Motion: That the Board approve the minutes from the October 12 th TDC meeting.
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Made by: Ronald Rivera Seconded by: Shirley Cronley
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Disposition: Motion Passes 6-0 with James Reeves and Jared Moore off the dais
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4. Status of Funds Available – Clerk of the Court – Mike Davis



TDT - TDC Meeting
- 12.14.2021.pdf

(Right click, Acrobat Document Object, Open or Double Click)

For FY21 we had a total of \$17,671,461 which was a record-breaking year. If you compared it to 1-4 cents it would have been 45% increase over 2020 and 81% if you include the 5th cent. As of December 14 we had a total of \$1,487,000.00 for the month of November which is only a little higher than what we saw back in November when the reports were ran. As of December 14 we have collected \$257,330.00. Total collections for 2022 is 3.1 million dollars. For FY21 year to date, we would have a little over 2 million dollars. This means October and November are back-to-back record-breaking months with a 26% increase over FY21 when you compare 1-4 cent and a 58% increase when you add in the 5th cent.” We haven’t had too much activity on the expenditure side due to only being two months into the year. The advance to Visit Pensacola for two million dollars went out along with the first two monthly allocation transfers to the Bay Center.

Chairman Bear - On the revenue side of the Tourist Development, the budget is showing \$14,606,250 and the reserves/fund balance is showing \$2,404,202. The statutory holdback calculated at 5% is based off what? It is not 5% of the \$14,606,250. It is not the combination of the \$14,606,240 and the \$2,404,202.

Pam Childers: This budget comes from Escambia County Office of Management and Budget (OMB); the clerk’s office doesn’t produce it. They made an adjustment on the \$200,000.00 for the museum, based on the \$100,000.00 going back to Visit Pensacola to advertise but then there was not an increase in the MAA, which is their agreement that they sign. This shows the status of what they passed. It doesn’t mean it stays this way since they do adjustments.

Robert Bender: If you add the \$768,750.00 back into the \$14,606,250.00 and take 5%, that gives the \$768,750.00. It is not necessarily revenue but more of like what is able to be expended.

Mike Davis: The Miscellaneous Appropriations Agreement (MAA) is the \$100,000.00 vs the \$200,000.00 and that adjustment will be made.

5. Other Business

- i. Five Flags Speedway Request – Letter of Intent has been signed and we have heard it is a go. We are waiting on the contract to sign. The request is for \$55,000.00 and that is 50% of the sanction fee. The Board of County Commissioners did approve this request.

Motion: To support the Five Flags Speedway FRX Event
Made by: Robert Bender Seconded by: Ronald Rivera
Disposition: Motion Passes 8-0

- ii. Gulf Coast Jazz Festival – Cadillac Banks – Last year we had a good economic impact, 94% of people that came to jazz fest were from out of town. Ticket master rates events has rated the Gulf Coast Jazz Fest 4.6 stars out of 5. We are being looked at as one of the top jazz festivals in the country. After speaking with Commissioner Bender, I lowered the amount of my request.

Robert Bender: I Appreciate that the amount you are requesting has been lowered, I want to be supportive and hopefully we can work for a better understanding of funding without going through this request every year.

Mr. Banks: If something happens to me, I want the festival to Continue each year. We advertise all over the country. Our competitor is Panama City but now it is changing, and people are staying in Pensacola. Jazz Fest brings in top of the line musicians. It has been going on for five years now. The event happens on Labor Day weekend.

Mitesh Patel: Why does this event come to TDC and not to Visit Pensacola or ACE like other grants do?

Mr. Banks: The amount requested of \$150,000.00 is outside of their budget. They changed their budget; at one time they had no limit. TDC funds are not supporting the whole festival. Having the festival on Labor Day draws in people who can stay for the long weekend. There will be a major jazz kickoff party on Friday. The festival itself is on Saturday and Sunday at Maritime Park. Last year we sold 2500-3000 tickets. My main job is to promote tourism. The festival will cost around \$300,000.00 and 90% of it will come out of my pockets, and from my wife's death benefit. Net Profit is a couple hundred thousand dollars but takes time to build up so there will eventually be a bigger profit.

Robert Bender: If you are having to take the money from your wife's death benefit doesn't that tell you this festival isn't sustainable?

Mr. Banks: You have to look at the bigger picture. You can't raise ticket prices over night to make festival more sustainable. When we started, the ticket sales for the two-day festival were \$75.00 now they are \$125.00. You have to gradually raise prices. You also have to think about the price of the artist, which goes up every year.

David Bear: Is the government in business to continue to support private business with Tourist Development Tax (TDT)? While your event is making an economic impact on tourism and on the community and it is a great return, basically 6 for 1 return on the public dollar, but it is for a for profit business. If William Banks enterprise was either an LLC or a 501(c)(3) that would open the festival up for several grants. I think the festival is good for the community, it not only drives tourism, but it also diversifies tourism. I would like to see it done under a different model. I would like to see it with a sustainable model, a not-for-profit tax exempt that could survive as a board.

Motion: Recommend to the BCC that the TDC fund this project in the amount of \$76,000.00 with the stipulation Mr. Banks does not come back to the county for funding unless his business model changes to become an LLC or a 501(c)(3)

Made by: James Reeves

Seconded by: Robert Bender

Disposition: Motion Passes 7-1 with Mitesh Patel voting no because of the for-profit status.

- iii. Monument to Women Veterans – Michelle Caldwell – The monument to women veterans has a successful relationship with the city of Pensacola and has currently established the Amtrak station as the museum to women veterans. We are expanding on that and using that building for a national veteran visit center. Our goal is that if you are a veteran and are getting out of the military all you have to do is come to Escambia County and we will connect you with your benefits. We have hired Dr. Eurydice Stanley who was the transition officer of the United States Army for the last ten years. In conjunction with that building, we are doing a national training center for veterans named The Center for Strategic Military Excellence. Part of our program is to offer a free room to any veterans who want to come to our area, 9 times out of 10 when you give a free room, they stay 3-4 nights. There are no national veterans visit centers in the country. There is no national monument for women veterans which make up 25% of the military. There are 2.8 million women veterans."

We are physically giving each veteran a toolbox. We are looking for seed money to purchase 500 of these boxes. The toolboxes are about \$25.00 each. We have partnered with VetCV for their digital toolbox.

We anticipate that the monument to women's veteran and the museum

will put over 4,000 room nights a year in hotels, in conjunction with training and being the only hub in the country we anticipate double that.

- iv. TDT Restricted Marketing Fund Committee Creation – **David Bear** – We have been requested by unified budget to consider creating an emergency marketing fund. What I would like to do is create a committee outside of this meeting to sit down and work out those details; to decide if this is something that the county needs to make the recommendation back to the TDC on things like what level of funding does it need to have, and what would be the trigger to utilize those funds. Not just an emergency fund but an operational funds for items that are an outside agency or already allocated through the county. I would like to appoint Shirley Cronley to Chair the committee and ask Mitesh Patel to join along with three members of the unified budget since they are 60% of the use of the funds. Alison Rogers couldn't attend but asked that this committee be a sunshine committee, publicly noticed and minutes kept.

Motion: Recommend that the TDC board appoint Shirley Cronley as Chairperson for the TDT Restricted Reserves Committee and Mitesh Patel to serve on the committee.
Made by: Ronald Rivera Seconded by: Mary Hoxeng
Disposition: Motion Passes 8-0

6. TDC Chair and Vice Chair Elections

Motion: Recommend that David Bear and Ronald Rivera maintain their positions as Chair and Vice Chair.
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Made by: Shirley Cronley Seconded by: Robert Bender
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Disposition: Motion Passes 8-0

ADJOURNMENT

There being no further business to come before the Board, Chairman Bear declared the Meeting of The Tourist Development Council adjourned at: 4:22:54 PM