

TDC MEETING MINUTES

June 11, 2015

Commissioner Brian Hamman called the meeting to order at 9:00 a.m. and led the Pledge of Allegiance. Council members in attendance: Jeff Webb, René Affourtit, Mayor Kevin Ruane, Fran Myers, Colleen DePasquale, Bill Waichulis, Councilman Forrest Banks, Pamela Cronin and Tony Lapi. Rob Wells was excused.

René Affourtit made a motion, seconded by Mayor Kevin Ruane to approve the TDC Meeting Minutes of May 14, 2015. The motion passed unanimously.

Public to be Heard

- Jennifer Jennings, Executive Director for the Greater Pine Island Chamber of Commerce introduced the new Mango Queen, Jonna Bouchard. Mango Mania will be held July 18-19, 2015. Jonna gave credit to Mel Meo, an artist from Pine Island, for her dress. Jennifer Jennings thanked the TDC for their support of this annual event.
- Trish Leonard introduced the new Executive Director for the Everglades Wonder Gardens, Janet Martin. Janet is also a City Council member for the City of Bonita Springs. The Everglades Wonder Gardens are celebrating 80 years of being open as a south Lee County tourist attraction and historical site. The Wonder Gardens have 15 board members and 15 advisory groups that help future planning. Janet thanked the TDC for all they do for the City of Bonita Springs.
- Beth Oliver, Director of Marketing, Offshore Sailing School announced their eighth location in NY/NJ is now open. They will be hosting a Summer Solstice event on June 20th and will providing experiences at the Pink Shell and South Seas Resorts. She showed a brief news story that Wink TV aired on their sailing school's expansion.
- Larry Murphy with UbiZ introduced the UbiZ app to the TDC board. It is a free app to download on android and iphone, and works as a social network globally to connect you with events, promotions, discounts, and activities wherever your location in the world. Its official launch is in October 2016.
- Chris Pendleton, Executive Director for Edison Ford Winter Estates announced that they are in the top 100 destinations for group visitation in America according to the American Bus Association. There has been steady growth in attendance at the Estates over the last 10 years. New for next year, the Edison Ford Estates will be adding a river pavilion. The 40 foot pavilion will be a replica of Thomas Edison's pavilion, located in the coconut grove for various events and classes. The Marina at Edison Ford provides multiple activities on the water. Chris thanked Lance Julien who runs their river/cruise program. He will be showing the film *Titanic* along with other water based experiences he has filmed in the fall. Chris showed a 90 second promotional video funded by last year's TDC marketing grant, and thanked the TDC for all their hard work and continued support.
- John Lai, General Manager of the Inns of Sanibel and President of the Lee County Hotel Association asked the TDC to examine the proposed FY 2015-16 VCB budget, and encouraged them to continue down the path with the marketing plan that has brought Lee County so much success. He thanked the TDC for all their hard work and dedication to the tourism industry.
- Sam Swami, Owner of Best Western Fort Myers Inn & Suites, Tahitian Inn, and Pierview Inn & Suites asked the TDC to give the VCB the tools and funding needed to succeed and focus on marketing.
- Sharon McAlister, Executive Director of ArtFest Fort Myers thanked the TDC for their support of the arts and events.

- Lydia Black, Executive Director for the Alliance for the Arts thanked the TDC for their service to the art community that makes this place a great place to live, work, and play.

Municipalities to be Heard

- None to be heard.

VCB Executive Director's Report

- Tamara Pigott reported that the preliminary bed tax collections for the month of April 2015 were \$3,351,146, a 9.5% increase over the preliminary collections in April 2014.
- STR Report – Occupancy for April was up 5.2%, ADR increased by 2.4% and RevPAR was up 7.8%. Lee County experienced a 8.8 % increase in Room Revenue while Available Rooms increased by 1% and Rooms Sold were up by 6.3%.
- RSW Report – Total Passenger count of 902,669 for April 2015, an increase of 4.3% over April 2014.
- Tamara introduced two new marketing interns: Daniel Benson, a junior at FGCU in the Marketing program; and Caitlyn Baughman, a senior at FGCU in the Resort & Hospitality program.

New Business

- Pam Cronin made a motion, seconded by René Affourtit to approve the recommendation of the FY 2015-16 Events Marketing subcommittee to provide \$167,000 in funding to 10 organizations hosting events in FY 15/16. The events receiving funding include: Cape Coral Coconut Festival, Cape Coral Festival of the Arts, Images of Nature, American Sand Sculpting Championship, Sanibel Island Writers Conference, Fort Myers Beach Pirate Festival, Captiva Holiday Village, Fort Myers Beach “Back Bay Bash”, Fort Myers Beach Film Festival and MangoMania Tropical Fruit Festival. The motion passed unanimously.
- René Affourtit requested that the TDC look at increasing the events marketing budget by \$50,000 for next year.
- Tamara Pigott explained that because the Harborside Event Center will be undergoing renovations, and will need less marketing funds for FY15-16, they have shifted \$25,000 of their original \$50,000 Arts & Attractions Funding request to the SWFLA Community Foundation. The TDC Arts & Attractions Funding requests for FY15-16 are as follows: The SWFLA Community Foundation requested \$275,000, Edison Ford Winter Estates requested \$50,000 and Fort Myers Conference & Convention Council requested \$25,000.
- Mayor Kevin Ruane made a motion, seconded by René Affourtit to approve the funding requests for the FY 2015-16 Arts and Attractions grant cycle. The grants, totaling in \$350,000 will be awarded to three organizations: Southwest Florida Community Foundation, Edison & Ford Winter Estates and Fort Myers Conference & Convention Council. The motion passed unanimously.
- Tamara Pigott gave an overview of the FY16 proposed VCB budget report, consisting of the VCB operating budget, Arts & Attractions Marketing budget, Beach & Shoreline Capital Planning budget and Sports Marketing Budget. The VCB operating budget is flat, as the VCB was asked to submit a continuation budget at the direction of County Administration and the BOCC.
- Roger Desjarlais addressed the TDC to explain what is being labeled as the County’s “reduction in spending”. Last year, when Lee County began to stabilize financially, during the BoCC budget workshops, a policy decision was made by the BoCC that the County would accept the current service levels as the minimum service levels County-wide for all departments. In this regard, the only increases in budgets moving forward would be to those services over which we have no control. The VCB has held their operating budget to a 1.3% increase over last year’s budget to cover the increased cost of doing business. The County’s general fund increased 3% over last fiscal year’s budget to cover increased business costs. Last fiscal year, a \$1.4 million increase was allocated mid-year to the VCB’s marketing budget for a specific marketing effort. It was assumed by some that this \$1.4 million

increase would just become part of the VCB's continuation budget for FY 15-16. The BoCC will have a budget workshop in September or October to take a closer look at the distribution of the bed tax dollars within the three categories as well as the reserves. Bed tax reserves at the end of this fiscal year are projected to be \$11 million.

- Mayor Kevin Ruane responded to Roger Dejarlais's comments. He applauded the direction that the County is going in with responsible budgeting, and appreciates the BoCC taking a look at the amount in reserves, and how to best handle those funds.
- Jeff Webb commented that he is unsure why we are not budgeting marketing dollars proportionately with the revenue coming in at a time when we need to continue to reinvest in ourselves and keep our foot on the pedal. He also remarked that the VCB's salaries should be competitive with other destinations to retain the current talent on staff.
- Tony Lapi noted that the co-op advertising program is typically released in advance of the VCB's budget being approved by the BoCC. As the co-op advertising program becomes more popular, and more businesses participate in it, it will make more sense to review the budget earlier in the year so that the program can be rolled out confidently.
- Colleen Depasquale commented that she believes there are really two main topics of conversation at the meeting today. One is the incoming budget, and the second is the allocation of bed tax. Colleen thanked Roger Desjarlais on all of the great work he has done since becoming County Manager. She commented that since the VCB is not a general fund entity and is self-funded from the revenues generated off the bed tax, that if there is an increase in bed tax funds available for the budget, now is the time to use it. Historically, the VCB was able to spend 95% of the projected bed tax revenue, and keep 5% in reserves. As of right now, we are nowhere near that, we are operating on last year's budget - and this is not the way we should be doing business. We are competing with major destinations such as San Francisco, Key West, Europe, and Brazil. It is not a good business model to not use the money when we have it available. We need to reinvest in ourselves while the funding is available, including increasing the funds available to the Events Marketing program.
- Mayor Kevin Ruane made a motion, seconded by René Affourtit to approve the FY 16 Proposed Budget Report. The motion passed unanimously.
- Mayor Kevin Ruane made an amended motion to recommend to the BoCC to add \$1.5 million to the VCB's marketing budget in light of the tremendous success we have had in bed tax collection this year. Motion was seconded by Pamela Cronin. Motion passed unanimously.
- Amended motion made by Mayor Kevin Ruane to make a recommendation to the BoCC to have a discussion consistent with the discussion of the general fund policies about appropriate reserves, and look at our \$11.7 million in reserves to have a discussion about what is adequate and what is not and bring their recommendations back to the TDC board. Motion seconded by Fran Myers. Motion passed unanimously.

TDC Member Items

- Commissioner Hamman presented plaques to Councilman Forrest Banks and Mayor Kevin Ruane in appreciation for their outstanding contribution to the tourism industry and public service to the TDC.
- Mayor Kevin Ruane shared that he was a TDC member for six years, and appreciates the VCB staff and all the preparation that goes into the TDC meetings. He said "It's really been an honor to see and be part of a real turnaround and what we do for small businesses. I thank you from the bottom of my heart."
- Councilman Forrest Banks remarked that the Governor's Conference on Tourism really impressed him, and helped him to understand how important tourism is to state of Florida and to Lee County. He recounted that he attended a staff meeting at the VCB, and was very impressed that each staff member had an opportunity to speak about what they were working on, and everyone around the table was beaming with pride. He stated that he had a great experience as a TDC member, and is very proud of the City of Fort Myers and Lee County's accomplishments. He did ask the TDC to propose that the

rotating TDC seat that he currently holds be shared with the City of Cape Coral, and that an additional seat for Estero and Bonita Springs be created so that they aren't waiting six years between rotations to have an opportunity to sit on the TDC committee.

- Tony Lapi thanked Mango Mania for their basket.
- Colleen DePasquale thanked Mango Mania for their basket. She also thanked Mayor Kevin Ruane for all he did with JetBlue Park and his passion for water quality.
- Fran Myers asked if the BoCC could have a workshop with the TDC before any decisions are made about the budget in September. She also echoed Colleen's sentiments to Mayor Kevin Ruane.
- René Affourtit said that today's session was excellent. He loved the close attention to detail that the board paid to the budget, and was glad to see the high level of participation.
- Jeff Webb reminded everyone that the upcoming LCHA monthly meeting that will be held Thursday, June 25th at noon at The Holiday Inn on Alico Road. The speaker will be Mayor Kevin Ruane. Tickets are available on the LCHA website. He also echoed Colleen's sentiments about Mayor Kevin Ruane and thanked Councilman Forrest Banks for all of his insight as well.
- Bill Waichulis thanked Mayor Kevin Ruane and Councilman Forrest Banks for their service to the TDC board.
- Pam Cronin said it was a good meeting.
- Commissioner Brian Hamman announced that the Governors Conference on Tourism will be held from August 31 to September 2 in Tampa this year. Please RSVP by July 10th to Fran Belasco. Commissioner Hamman also noted that he sits on both the Port Authority and TDC boards and is glad to announce that there is a new direct flight from RSW to San Juan, Puerto Rico. We are connecting more than 60,000 friends and relatives with these flights, and should have increased visitation from this flight.

The meeting adjourned at 10:47 a.m. The next regular meeting of the TDC is scheduled for **Thursday, August 13, 2015 at 9 a.m.** at Lee County Admin East, Conference Room #118, 2201 Second Street, Fort Myers, 33901. **There will be no meeting in July. All reports are included with Minutes on file at the VCB and available at www.leevcb.com.**