

PINELLAS COUNTY TOURIST DEVELOPMENT COUNCIL

September 19, 2018

The Pinellas County Tourist Development Council (TDC), as created under Pinellas County Ordinance 78-20 pursuant to Section 125.0104, Florida Statutes, met in regular session in the Clerk's Fourth Floor Conference Room, 315 Court Street, Fifth Floor, Clearwater, Florida, on this date at 9:03 A.M. with the following members present:

Doug Bevis, City of Oldsmar Mayor  
George Cretekos, City of Clearwater Mayor  
Phil Henderson, Jr., StarLite Cruises  
Trisha Rodriguez, Clearwater Ferry  
Anthony Satterfield, Alden Suites  
Eric Waltz, Sandpearl Resort

Not Present

Kenneth T. Welch, BCC Chairman, Chair  
Russ Kimball, Sheraton Sand Key Resort, Vice-Chair  
Charlie Gerdes, City of St. Petersburg Councilmember  
Joanne "Cookie" Kennedy, City of Indian Rocks Beach Mayor

Others Present

David Downing, Visit St. Petersburg/Clearwater (VSPC) President and CEO  
Tim Ramsberger, Chief Operating Officer  
Leroy Bridges, Vice President, Digital and Communications  
Teri Tuxhorn, Administrative Director  
Liz McCann, Executive Administrative Assistant  
James Abernathy, Office of Management and Budget  
Michael Zas, Managing Assistant County Attorney  
Other Interested Individuals  
Jenny Masinovsky, Board Reporter, Deputy Clerk

Agenda

- I. CALL TO ORDER/ROLL CALL – Chair Kenneth T. Welch
- II. CHAIR COMMENTS
- III. APPROVAL OF TDC MINUTES – TDC Meeting and Work Session Meeting of June 20, 2018
- IV. PUBLIC COMMENTS
- V. COUNTY ATTORNEY REPORT – Michael A. Zas
- VI. ELITE EVENT FUNDING PROGRAM

- VII. CAPITAL PROJECT FUNDING PROGRAM
- VIII. PRESENTATIONS
  - A. Robert Skrob – Executive Director, Florida Association of Destination Marketing Organizations (FADMO)
  - B. Roger Dow – President and CEO, U.S. Travel Association
- IX. STAFF REPORTS
  - A. Digital and Communications – Leroy Bridges, Vice President
  - B. Advertising and Promotions – Katie Bridges, Sr. Advertising Manager
- X. VSPC PRESIDENT AND CEO REPORT – David Downing
  - A. Tourism Economics Snapshot – September
  - B. Pinellas County Bed Tax – July 2018
- XI. BOARD MEMBER COMMENTS
- XII. ADJOURNMENT

All documents and presentations provided to the Clerk’s Office have been made a part of the record.

CALL TO ORDER/ROLL CALL

Mr. Downing called the meeting to order at 9:03 A.M. and indicated that both the Chair and Vice-Chair will not be attending; that there are not enough members present to constitute a quorum; and that he would be facilitating the meeting. Attorney Zas explained that the Council can hear presentations and hold discussions without taking action or making recommendations as a body; whereupon, at the request of Mr. Downing, those in attendance introduced themselves.

CHAIR COMMENTS

In response to query by Mr. Downing, Attorney Zas stated that Timothy Bogott, TradeWinds Island Resorts, has resigned from the TDC effective August 29, 2018.

MINUTES OF THE JUNE 20, 2018 MEETING AND WORK SESSION – NOT ADDRESSED

PUBLIC COMMENT

At the request of Mr. Downing and noting that she is speaking on behalf of Environmental Management Division Director Kelli Levy, Carla Mitchell, Public Works, provided an update

September 19, 2018

regarding the red tide event and the joint efforts undertaken by the County and its partners, including municipalities, the Department of Health, and VSPC to clean up the waters, monitor the beaches, and relay the latest information regarding the beach conditions and health risks; whereupon, she thanked the partners for their support and assistance.

Ms. Mitchell discussed informational and reporting resources and tools available to the public, and indicated that the Florida Department of Environmental Protection will give an additional \$2 million to the County for expenses associated with red tide; whereupon, she responded to queries by the members, providing further details relating to the cleanup and explaining that due to the unpredictable nature of the event, there is not a way to forecast its duration or course. She stressed that the County is making every effort to keep the areas clean and as safe as possible for the residents and visitors, and discussion ensued.

Mayor Cretkos commended the County staff and Ms. Levy in particular for the prompt cleanup efforts and responsiveness; whereupon, he discussed the importance of factual reporting of the event and reimbursement for cleanup expenses incurred by the cities from the grants received by the County.

During further discussion and responding to queries and comments by the members, Ms. Mitchell indicated that cleanup efforts are prioritized to address the heaviest-hit areas first; and that the County received a total of \$3.3 million in grant funding with regard to red tide; whereupon, Mr. Downing thanked the Public Works and Marketing and Communications departments for working together to manage the problem. He related that VSPC is offering the most current information about the beach conditions on its beachesupdate.com website, based on federal, local, and live first-person sources; that the organization's three-pronged approach with regard to the situation is to inform, monitor, and plan for current and future, post-red tide, messaging; that Visit Florida has set funds aside for marketing after red tide; and that VSPC was given the authority to use its reserves, as needed, by the County.

Mr. Bridges displayed the beachesupdate.com website, noting that water sampling information provided by other departments has been very helpful; and that staff is working on additional mapping tools for easier navigation. He indicated that despite cancellations, there are still many visitors arriving to the destination, and discussed how VSPC is coordinating with other organizations to shift the focus from the beaches to the "guest experience" by relaying information about special deals and promoting other aspects of the destination, including cultural, arts, and culinary venues and events, and to prevent negative communications by frontline staff of organizations such as Uber or Airbnb.

Responding to query by Mayor Bevis, Mr. Bridges related that with exception of the areas south of Tampa Bay, red tide has not received much coverage by the media in New York, the United Kingdom, or Germany, and the members discussed inquiries to their hotels, cancellations, and the importance of honest reporting of the event to preserve the reputation of the destination; whereupon, Mr. Downing reiterated that staff is providing information that is as clear and real-time as possible, noting that decisions regarding the current advertising of the destination are made in concert with the experts.

Mr. Bridges requested that the hoteliers and other tourism-related local businesses inform VSPC of (1) ongoing promotions, and (2) their monetary losses incurred due to red tide, including hotel cancellations and reductions in staff, for possible financial assistance from the state. Mayor Cretekos suggested involving the Chambers of Commerce to help relay the information to the businesses; whereupon, Mr. Bridges briefly discussed recent newspaper articles regarding the event, and Mr. Downing provided input.

COUNTY ATTORNEY REPORT – NONE

ELITE EVENT FUNDING PROGRAM – NOT ADDRESSED

CAPITAL PROJECT FUNDING PROGRAM

Mr. Ramsberger referred to a document titled *Capital Project Funding Program Fiscal Year 2019-2020 Timeline, Draft*, which has been made a part of the record, and provided an update of the pertinent dates with regard to the program application process, noting that the revised application will be posted on the pinellascvb.com website by October 1; that a public information session will be held on October 25; and that applications will be accepted from December 3 to January 15; whereupon, he thanked Attorney Zas and VSPC Consultant Dennis Long for their work in connection with the program.

In response to queries by the members, Mr. Abernathy referred to a document titled *Tourist Development Tax Fund – Capital Funding Program, FY18-FY23*, which has been made a part of the record, and discussed fund balance projections for 2019 and 2020, providing information regarding estimated beginning and ending balances, various capital projects, and related matters. Responding to query by Mr. Henderson, he confirmed that there is no reserve being held for the potential building of a Tampa Bay Rays stadium, and Mr. Downing noted that the informational

document to which Mr. Abernathy is referring is the same one that was distributed at the TDC workshop in June.

## PRESENTATIONS

Robert Skrob – Executive Director, Florida Association of Destination Marketing Organizations (FADMO)

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Following introduction by Mr. Downing, Mr. Skrob referred to a PowerPoint presentation titled *FADMO Industry Trends and Legislative Issues* and discussed the background and functions of FADMO, organizational models of Destination Marketing Organizations (DMOs), Tourist Development Tax rates and uses, FADMO communication efforts with regard to tourism promotion, and the 2018 outlook relating to new state leadership and tourism numbers.

Mr. Skrob indicated that FADMO represents DMOs throughout the state, and its primary function is their education. He noted that Florida DMOs vary in budgets and focus; and that by sharing best practices through leadership and marketing conferences hosted by FADMO, they would continue their successful growth; whereupon, responding to queries by the members, he provided information relating to a privately-funded DMO model, and discussion regarding a model used in Hillsborough County ensued.

Mr. Scrob related that the vast majority of the Tourist Development Tax statewide is spent on tourism marketing; that state lawmakers recognize the value of tourism, but not the marketing, despite the fact that the state's recovery from the recession in 2009-2010 was attributed to the marketing efforts, which brought investment, visitors, and jobs; and that over the last two years, FADMO made great investments in education and an aggressive public relations program to promote tourism marketing; whereupon, he indicated that new state leadership will be considering the future of Visit Florida.

Noting that record tourism is creating a record demand on resources; and that there have been a number of editorials by citizens wishing to limit it, Mr. Skrob emphasized the importance of educating the public of the benefits owed to the industry, relating that FADMO is focused on bringing that message forward going into the upcoming legislative session. Mr. Downing agreed that communicating the value of tourism is key, and opined that the issue of overcapacity is of more concern internationally than domestically. He provided examples of overcrowding in European destinations, indicating that it affects the quality of the experience; and that some places

have considered limiting visitor numbers or charging additional fees; whereupon, Mr. Skrob concluded his presentation by distributing FADMO monthly newsletters to the members.

Roger Dow – President and CEO, U.S. Travel Association

Mr. Downing introduced Mr. Dow, relating that he is an advocate for tourism to America throughout the world, adding that as a resident of St. Petersburg, he is also a champion of the destination; whereupon, a video was played, explaining the role of the U.S. Travel Association; highlighting the benefits provided by the tourism industry, including creating jobs, powering economic growth, and enhancing national security; and emphasizing the importance of a modern air travel system and updating infrastructure in order to compete in the international arena.

Mr. Dow noted that the contribution of international tourism to the U.S. economy and to promoting America's standing around the world is substantial, and discussed current challenges confronted by foreign tourists associated with travel expense, weakening of economies in Latin America and parts of Europe, low-cost air fares offered by European carriers, and Washington rhetoric regarding security. He indicated that the VSPC team is one of the best in the country; and that U.S. Travel works with it closely; whereupon, he warned that the availability of tourism funds is under a threat throughout the state.

Mr. Dow provided information regarding the IPW annual international tourism promotion event organized by U.S. Travel and discussed the importance of continuous marketing and growing the area in a smart way, noting the following:

- There should be straightforward reporting about the current situation relating to red tide; however, as soon as it is over, marketing must resume with full force, and U.S. Travel can assist.
- Tampa Bay is growing in the right way, by developing infrastructure, expanding airports, and bringing in more restaurants and shopping.
- The American people should be informed about the tourism industry and reminded of the value of taking vacations.

In response to queries by the members, Mr. Dow discussed the background and the current state of affairs relating to tourism funding and various programs, indicating the following:

September 19, 2018

- Major airlines resist increasing the Passenger Facility Charge, essential for airport facility improvements, including security, efficiency, and noise reduction. In three to four years, airports will not have the capacity to handle growing numbers of foreign tourists.
- International Pow Wow was changed to IPW out of political correctness.
- While the United States currently has one of the largest tourism budgets in the world, those funds are under a threat of being utilized by the government for other matters. Brand USA, the U.S. marketing organization paid for by the visitors, which has allowed DMOs to be strategic and surgical in their international marketing efforts and increased the number of foreign visitors from 54 to 76 million, is set to expire in 2020 without plans for renewal. Mr. Dow urged the members to speak to their local representatives about keeping Brand USA.
- International tourism drives the country's retail and real estate businesses.
- The Visa Waiver program allows foreign visitors to come to the U.S. with a passport and benefits tourism and security. There are currently 11 countries in the program, and plans for more.
- The Open Skies program allows American airplanes to fly to other countries and vice versa. There are currently 120 Open Sky agreements, which are very important, as there is not enough lift from U.S. carriers to accommodate tourism; nevertheless, the major domestic airlines oppose the program in view of competition.

During discussion, Mr. Dow reiterated the importance of continuing marketing, and provided examples of how other places in the U.S. have suffered loss of tourism when they paused their marketing efforts. Mr. Downing noted that VSPC experiences constant competition with world-renowned neighbors Orlando and Miami; and that there are more marketing opportunities for the area to take on, and Mr. Dow opined that if combined, Tampa, St. Petersburg, and Clearwater would be a very powerful marketing entity; whereupon, Mr. Downing thanked Mr. Dow for promoting tourism to America and the destination.

## STAFF REPORT

### Digital and Communications/Advertising and Promotions

Mr. Bridges indicated that the annual Best of St. Pete/Clearwater awards poll involved a lot of marketing; that new categories have been added; that the poll has resulted in over 100,000 votes

as compared to last year's 20,000 and is closing tomorrow; and that the winners of the competition will be announced at the unveiling of the Gulf to Bay magazine in February.

Referring to a PowerPoint presentation, Mr. Bridges indicated that growth in mobile website traffic has been substantial; and that staff reviews all projects through a mobile-first lens; whereupon, he briefly presented information regarding a new content plan, focused on the destination's waters, and provided clarification in response to queries by Mayor Bevis.

### VSPC PRESIDENT AND CEO REPORT

#### Tourism Economics Snapshot – September

Mr. Downing referred to PowerPoint presentation titled *Tourism Economics Snapshot, September TDC Meeting*, and reviewed the market comparison and year-to-date data for rooms sold, average daily rate, and revenue per available room, noting that "rooms sold" is a new metric used by staff this year; and that a positive percent change in the Tourist Development Tax for approximately 80 of the last 84 months is extraordinary; whereupon, he addressed queries by the members, and Mr. Bridges provided input.

#### Pinellas County Bed Tax – July 2018

Mr. Downing referred to the Tourist Development Tax 2017-2018 comparative data sheet and reported that the gross tax yield for July was \$5.52 million, an increase of 6.02 percent.

### MEMBER COMMENTS

Mr. Downing introduced VSPC Community Liaison Kristin Coryn, noting that she was formerly with the Leisure Travel Sales Department; whereupon, Ms. Coryn addressed the members, providing further information about herself and her new role.

#### Mayor Cretekos

- Discouraged scheduling future meetings on Yom Kippur out of respect for those who wish to observe the day.

September 19, 2018

Mr. Satterfield

- Invited the members to attend a fund raiser for Creative Pinellas on November 8 at the Creative Pinellas Office.

Mayor Bevis

- Announced that the City of Oldsmar will allow craft beer and micro brews.
- Noted that this may be his last meeting; and that he greatly enjoyed serving, and Mr. Downing thanked him for his input and time.

Mr. Waltz

- Did not reapply for his TDC seat due to a personal conflict; thanked Mr. Downing and the Commissioners serving on the TDC for their leadership.

Ms. Rodriguez

- Appreciates the knowledge gained through her experience on the TDC.

Mr. Downing explained the selection process with regard to a Mayor seat on the Council, and noted that the seats of the outgoing members will expire after the October meeting.

ADJOURNMENT

The meeting was adjourned at 10:57 A.M.