

TOURIST DEVELOPMENT COUNCIL (TDC)

The Indian River County (IRC) Tourist Development Council (TDC) met at **2:00 p.m. on Wednesday, May 17, 2023**, in the County Administration Building, Building A, Commission Chambers, 1801 27th Street, Vero Beach, Florida. You may hear an audio of the meeting; review the agenda and the Minutes on the IRC Website.

Present were: **Chairperson Joseph Flescher**, Indian River County Commissioner, District 2; **Chris Nunn**, City of Sebastian; **Karen Mechling**, Interested in Tourist Accommodations (not Operator) Representative; **Will Collins**, Owner/Operator Tourist Accommodations Representative; **Keith Kite**, Owner/Operator Tourist Accommodations Representative; **Steve Hayes**, Interested in Tourist Accommodations (not Operator) Representative, **Amanda Smalley**, (via Zoom) Interested in Tourist Accommodations (not Operator) Representative and **Jennifer Bates**, Owner/Operator Tourist Accommodations Representative.

Others Present were: **Dylan Reingold**, County Attorney, **John Titkanich**, County Administrator, **Kristin Daniels**, Management & Budget Director, **Kim Moirano** County Staff, and **Natalie Novak** Recording Secretary.

Call to Order and Welcome

Chairman Flescher called the meeting to order at 2:02 p.m. at which time it was determined there was a quorum present. Chairman Flescher led the pledge of allegiance. He welcomed everyone in attendance.

Additions/Deletions to the Agenda

There were no additions or deletions to the Agenda.

ON MOTION BY Ms. Mechling, seconded by Mr. Nunn, the Council unanimously (6-0) approved the Agenda as written.

Approval of the Minutes of February 15, 2023

Ms. Mechling identified the following changes to the Minutes of February 15, 2023; the correction of Christopher Nunn (last name referenced in the draft minutes as Dunn), and Skydive Sebastian (reference in the draft minutes as Sky Sebastian).

ON MOTION BY Mr. Hayes, seconded by Mr. Nunn, the Council unanimously (6-0) approved the November 16, 2022 Minutes.

Authorized Uses of Tourist Tax Revenue per Florida Statute 125.0105(5)(a) – Dylan Reingold, County Attorney

Mr. Dylan Reingold, County Attorney, presented an overview of the Authorized Uses of Tourist Tax Revenue per Florida Statute 125.0105(5)(a). Mr. Reingold further explained the purposes of the four (4) cent Tourist Development Tax; 1.83 cent to the beaches, 0.5 cent to Dodgertown/ Jackie Robinson Training Center, 1.67 cent to Tourist Promotion. The 1.67 cents under the Code is to be used for promoting and advertising tourism in the State of Florida nationally and internationally. However, if tax revenues are expended for an activity, a service, a venue or event, the activity, service, venue or event must have one of its main purposes the attraction of tourist as evidenced by the promotion of the activity, service, venue or event to tourists. In sum, we are focused on what our partners and agencies are doing to promote heads on beds, promoting people to travel to Indian River County and staying at hotels in our area.

Tourist Tax Revenue Update – Kristin Daniels, Management & Budget Director

Mrs. Kristin Daniels, Management & Budget Director presented a PowerPoint presentation of the Tourist Tax Revenue Update through March of 2023. As Dylan mentioned, the County levied four cents of the Tourist Tax. It is split between the two accessory funds. One and two-third cents towards tourism development agencies and those are the agencies that the Members will be determining funding for today. One and five-six cents goes towards the beach restoration fund and one half of a cent to fund our lease obligations out at the Jackie Robinson Training Complex.

Mrs. Daniels reported March collections were up \$54,700 or 9.0 percent compared to last fiscal year. Collections are up \$355,236 or 13.5 percent year to date. Revenues are above budgeted projections by \$115,000 or 21.0 percent for the month and \$868,694 or 40.9 percent compared to the budget year to date. Every month this year has recorded historically high collections.

Mrs. Daniels reported that there is sufficient funding with the increase that, all of the agencies, should TDC see fit, should receive 100% of their requested funding. An application was received and deemed ineligible from Main Street Vero Beach, proposing capital improvements to the City of Vero Beach infrastructure to include stormwater improvement, security cameras, hanging flower baskets, etc. That infrastructure is owned by the City of Vero Beach and TDC cannot fund municipalities or the County operations. The statute states that TDC must promote and advertise tourism. Main Street Vero Beach did not include a marketing plan, making brochures, social media campaign, etc. Promotion and advertising were not included in their proposal. Furthermore, the purpose of the funds in their proposal was stated as creating a destination for county-wide residents to visit and enjoy, not the purpose of the funding which is to bring people to the County to stay in hotels. Mrs. Daniels spoke with the applicant and explained that the application doesn't meet the criteria of the statute.

Further, Mrs. Daniels confirmed that the one application denial was met with favorable results as far as an understanding and a commitment to future possibilities.

2023-2024 Budget Presentations

Chairman Flescher reported Indian River County Chamber and Sebastian River Area Chamber will present at the next meeting. Recordings of the budget presentations are maintained on file in the Board of County Commission office.

The following representatives from each Agency presented and answered Council questions.

Adam Conard, Cultural Council of Indian River County
Michele Wagner, Indian River County Historical Society
Rick Hatcher, Play Treasure Coast Sports Tourism
Robin Berry, Vero Heritage, Inc.
Kendra Bergman, Coastal Connections, Inc.

Discussion of Budget Requests for 2023/ 2024 Fiscal Year

Mrs. Daniels explained the Reserve for Contingency (\$128,081) and Cash Forward (\$214,420). The Reserve for Contingency figure is 1/3 of the additional ½ cent proceeds the Tourist Development funding received beginning in fiscal year 2021/ 2022 that Commissioner O'Bryan made the motion that 75 percent be allocated to Reserve for Contingency. Reserve for Contingency will be here every year and is at the discretion of TDC to use if something unanticipated comes up. For example, if an event approaches the TDC asking for funding and the TDC feels the event will put "heads on beds", TDC can make a recommendation to Mrs. Daniels for the funding to go before the IRC Board of County Commissioners for approval. A TDC Special Call meeting can be held for such cases.

The Council would like to see the Fund Balance, Cash Forward, and Reserve for Contingency at the next meeting.

At 4:32 PM, Chairman Flescher announced that the Council will take a 5-minute break.

At 4:43 PM, Chairman Flescher called the meeting back to order. All Council members submitted the rating sheets. Chairman Flescher reported this year (2023-2024), there is Cash Forward overage of \$214,420 meaning, that this year, should the TDC find it appropriate, all partners could be fully funded.

ON MOTION BY Mr. Collins, seconded by Mr. Hayes, the Council (7-1), with Jennifer Bates dissenting, approved to fully fund all requests made to the TDC.

ON MOTION BY Mr. Collins, and seconded by Mr. Hayes, the Council (4-3) with Amanda Smalley, Jennifer Bates, and Karen Mechling dissenting, approved the Cash Forward overage of \$214,420 is allocated to the Indian River County Chamber of Commerce.

Discussion continued with Mr. Ben Earman and the TDC concerning the additional allocation of the funding.

Next Meeting Date

The next Tourist Development Council meeting will be held on Wednesday, August 16, 2023, at 2:00 p.m. in the Commission Chambers of the County Administration Building "A".

Adjournment

There being no further business, the meeting adjourned at approximately 5:27 p.m.