

TOURIST DEVELOPMENT COUNCIL

There was a meeting of the Indian River County (IRC) Tourist Development Council (TDC) on Wednesday, September 20, 2006, at 2:00 p.m. in the Commission Chambers of the County Administration Building, 1840 25th Street, Vero Beach, Florida.

Present were Chairman Arthur R. Neuberger, County Commissioner; Members Debra Fromang, Vero Beach Municipal Officer; Al Paternoster (arrived at 2:02 p.m.), Sebastian Municipal Officer; Sheryl Koenes (arrived at 2:02 p.m.), Owner/Operator Tourist Accommodations Appointee; and Robert Tenbus, Susan Hunt and Susan Adams (arrived at 2:06 p.m.), Interested in Tourist Development Appointees.

Absent was Jon Bates and Kathryn Beatty-Self, Owner/Operator Tourist Accommodations Appointees (both excused).

Also present were IRC Staff: Michael Zito, Assistant County Administrator; William DeBaal, Assistant County Attorney; Jason Brown, Office of Management and Budget Director; and Darcy Vasilas, Assistant to the Executive Aide. Others present: Penny Chandler, Executive Director, and Lori Burns, Tourism Marketing Director, Indian River County Chamber of Commerce (IRCOC); Beth Mitchell, Executive Director, Sebastian River Area Chamber of Commerce (SRACOC); Mary Jayne Kelly, Executive Director, Cultural Council of IRC; Rich Nalbandian, Assistant Director, Treasure Coast Sports Commission; and Rebecca Rickey, Executive Director, Vero Heritage, Inc.

Call to Order

Chairman Neuberger called the meeting to order at 2:00 p.m. and a quorum was not yet present. He inquired if there were any additions or deletions to the agenda. There were none.

Discussion was held regarding the increasing number of hotel rooms available in IRC now that repairs were being completed to those hotels that had been damaged during Hurricanes Frances and Jeanne in 2004.

Mr. Paternoster and Mrs. Koenes arrived at 2:02 p.m. making a quorum.

Approval of Minutes of the May 17, 2006 Meeting

ON MOTION BY Ms. Hunt, SECONDED by Mrs. Koenes, the members voted unanimously (6-0) to approve the May 17, 2006 minutes, as submitted.

Rules and Regulations of Participation in TDC Funding

- **Legal Opinion as to What Money Can Be Spent On**

Attorney William DeBraal, IRC Assistant County Attorney, reviewed the information in his memorandum, a copy of which is on file in the Commission Office. He summarized, authorized expenditures of Tourist Development tax dollars may be used to acquire, construct, extend, enlarge, remodel, repair, improve, maintain, operate, or promote one or more publicly owned and operated were as follows:

- convention centers
- sports stadiums and sports arenas
- coliseums and auditoriums
- museums, zoological parks, fishing piers or nature centers that were publicly owned and operated by not-for-profit organizations and open to the public
- to promote and advertise tourism in the State of Florida, nationally and internationally
- tax revenues may be expended for an activity, service, venue, or event, if the activity, service, venue, or event has one of its main purposes the attraction of tourists
- to fund convention bureaus, tourist bureaus, tourist information centers, and news bureaus as County agencies or by contract with the Chambers of Commerce or similar associations in the County, which may include any indirect administrative costs for services performed by the County on behalf of the promotion agency

- to finance beach park facilities or beach improvement, maintenance, renourishment, restoration and erosion control, including shoreline protection, enhancement, cleanup, or restoration of inland lakes and rivers to which there was public access as those uses relate to the physical preservation of the beach, shoreline, or inland lake or river

Attorney DeBral stated the tax dollars must be spent within the boundaries of the County in which the tax was levied.

Ms. Adams arrived at 2:06 p.m.

- **Committee Members Opinions on What Money Can Be Spent On**

Discussion was held regarding the funding of salaries. Ms. Penny Chandler, Executive Director, IRCOC, related the history of previous rulings on salaries. Ms. Hunt opined salaries should be funded, stating that may allow some applicants to extend their services and hours of operation, for instance the Indian River (IR) Citrus Museum.

Ms. Rebecca Rickey, Executive Director, Vero Heritage, Inc., reported the Heritage Center and IR Citrus Museum were adjacent, and there had been a marked increase in visitors to those buildings. She continued they would like to increase the museum hours, but with the weekend rentals in the Heritage Center, it was difficult to have tours going through the IR Citrus Museum.

Ms. Beth Mitchell, Executive Director, SRACOC, opined the only time the funding of salaries should be an issue was when there was not enough money available.

- **Committee Members Opinions on the Current Rating System**

Mr. Jason Brown, IRC Office of Management and Budget Director, explained how the current rating system was developed.

Mrs. Fromang felt the "Creativity" category of the rating system should be eliminated because it was subjective criteria. Ms. Chandler noted the whole focus of tourism was to find ways to put heads on beds

and bringing money into IRC. She added it would be difficult for first time applicants to demonstrate how they could put heads on beds.

Ms. Hunt suggested changing "Creativity" to "Authorized Expenditures". Attorney DeBraal asked for a definition of legitimate expenditures. Ms. Chandler opined any expenditure used to bring heads on beds should be considered.

Mrs. Koenes recommended using how the funds affected tourism as a guideline. Ms. Ritchie interjected she had recently attended a conference on museums, and after discussion with other museum directors regarding applications for tourism funds from municipalities, she suggested deleting the 10 points for the "Creativity" category and combining those points with the "Program Impact on Tourism" category making a total of 50 points.

Ms. Mary Jane Kelly, Executive Director, Cultural Council of IRC, Director, felt coordination with IRCOC and SRACOC should be included in the application process.

- **Committee Members Opinions on How to Handle Shortfalls in Funds**

Mr. Tenbus asked about how reserve Tourist Tax revenue funds were handled. Mr. Brown responded there were no leftover funds this year, but in previous years the funds had been put into a contingency fund.

Tourist Tax Revenues Updates & 2005/2006 Budget Updates

Mr. Brown distributed and reviewed Tourist Tax Monthly Revenues from Fiscal Year 1998/1999 to present. Copies of these reports are on file in the Commission Office. He noted the tax revenues were down 8.5% and .3% below the budget this year, relating the probable reason was the hotel rooms were not being used by contractors coming into the County due to the 2004 Hurricanes, Frances and Jeanne, to perform repairs as in the previous year.

Mr. Tenbus inquired how the collection of Tourist Tax funds were policed for people staying in IRC a few months. It was discussed at the

next TDC meeting, at a date to be determined, people who collect those funds should be invited to speak.

Ms. Chandler also felt the rating categories should be discussed at the next meeting. Chairman Neuberger agreed to put both suggested items on the agenda.

Other Matters

Ms. Kelly distributed the 2006-2007 Cultural Council of Indian River County Cultural Event Planner, a copy of which is on file in the Commission Office.

Adjournment

There being no further business, the meeting adjourned at 2:49 p.m.