

TOURIST DEVELOPMENT COUNCIL (TDC)

The Indian River County (IRC) Tourist Development Council (TDC) met at **2:00 p.m. on Wednesday, November 17, 2021**, 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 – <http://www.ircgov.com/Boards/TDC/2021.htm>.

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

Absent was: **Keith Kite**, Owner/Operator Tourist Accommodations Representative.

Others Present were: **Jason Brown**, County Administrator, **Kristin Daniels**, Management & Budget Director, and **Lisa Plesnarski**, Recording Secretary.

Call to Order and Welcome

Chairman Flescher called the meeting to order at 2:00 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. He stated that it was not the meeting where disbursements were being decided and it was refreshing to see everyone in attendance.

Additions/Deletions to the Agenda

There were no additions or deletions to the Agenda.

ON MOTION BY Ms. Smalley, seconded by Mr. Collins, the Council unanimously (8-0) approved the Agenda as written.

Approval of the Minutes of May 18, 2021

Ms. Karen Mechling pointed out a few corrections that needed to be made on the minutes. She stated it was a great job getting all of the information into the minutes.

ON MOTION BY Ms. Mechling, seconded by Mr. Nunn, the Council unanimously (8-0) approved the May 18, 2021 Minutes.

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

Ms. Kristin Daniels, Management & Budget Director presented a PowerPoint presentation of the Tourist Tax Revenue Update through September of 2021 which concluded the 2020/2021 Fiscal Year. As a reminder in the last Fiscal Year 2020/2021, the County levied four cents of the Tourist Tax that we collected. In the current fiscal year, four cents are split with one and a half cents going towards the tourism promotion agencies, one and a half cents towards the beach restoration fund and one cent to fund our lease obligations out at the Jackie Robinson Training Complex. So, going forward for the next fiscal year that we're in now 2021/2022, the Board has reallocated those

four cents and the allocation is now 1.56 cents towards our beach restoration, 1 2/3 cents towards the tourism promotion agencies and one-half cent towards our lease obligation out at the Jackie Robinson Training Complex. Moving onto a summary of how we ended Fiscal Year 2020/2021, we had an increase in revenues compared to the prior year of \$965,644 or 36.1 percent. Revenues were over the projected budgeted amount by \$1,121,578 or 44.5 percent. Back in 2019-2020 we started to see the fall. During March through May that was because of the COVID Safer at Home Order and also on the short-term vacation rentals. We have rebounded quite well and have performed very well ever since. Just for comparison purposes Ms. Daniels had shown the numbers for Fiscal Year 2018/2019 so this would have been pre-COVID. The numbers exceeded our pre-COVID 2018/2019 numbers with the exception of February which is really quite incredible seeing that COVID is still around. She was a little concerned to see where the revenues would land in September because of the Delta Variant but clearly still overperforming the pre-COVID numbers in their last fiscal year as well. We ended this most recent Fiscal Year 2020-2021 with \$3.6 million dollars in revenues. That was a million dollars over our 2019-2020 collections and \$700,000 over our pre-COVID 2018/2019 collections.

The ten-year history showed \$3.6 million. Last year 2019/2020 was down impacted by COVID. 2018/2019 was likely impacted by Red Tide. Before this last fiscal year had concluded, their record high was 2017/2018. We have surpassed our all-time record high by \$600,000 or 20 percent over last year. The TDC had asked that at the end of each year that Ms. Daniels came back with a budget to actual comparison to show which agencies had funds unspent at the end of the fiscal year. 2020/2021 \$159,555 was left unspent. The prior year 2019/2020 \$118,099 was left unspent and in 2018/2019 \$79,559 was left spent. As a reminder, these agencies have their own fund so any unspent funds stay in the fund and they can be used for any unanticipated expenses or requests that may rise throughout the fiscal year.

Ms. Mechling stated she had a generic question regarding the process of funding for an organization. Ms. Daniels explained they submit their requests to the Board based on line items. If something is earmarked for something else and they use it for different things, they get reimbursed as long as it's marked. Ms. Daniels stated that their request is generally, like, the Chamber. The Chamber would list their travels but they may not say this trip to Orlando is going to cost \$567. So, they just kind of state their programs and what their goals and objectives are in the Application and then the Board awards the amount. So, when they get the request for reimbursement, they just make sure that the programs that they're asking to be repaid for are what the Board has approved and then yes, they have to submit the invoice and supporting documentation in the packet that they submit to them. She stated that they are flexible in that as long as it was an approved expense. They will work with the Agency if something comes up. Chairman Flescher stated that fortunately all of our organizations have been very responsive. He stated that the right methodology is being applied because the numbers are not reflective in other jurisdictions as they are here. So, he felt we were very blessed and thanked all of the partners for their hard work. Mr. Collins asked about excess reserve funds. He knew that it all kind of sat in the reserve account to be used discretionarily by either the Board or the County Commission. He requested that Ms. Daniels clarify on that. Ms. Daniels stated she would have to double check but she believed the recommendations starts with the Board. The Board has the ultimate approval over the fund. The County Commission has to approve anything that the Board recommended or doesn't recommend and they can make changes to that but they generally go through the Board. Mr. Collins stated we are not always going to be in a situation where we have extra money sitting around. The big thing that's happening as kind of a result of COVID is we have had all these different people here who generally don't come so we want to keep the drive markets continuing. He felt that we should use the excess reserve funds while we have it. He thought that we all felt pretty good about how we have spent the money in a lot of those situations and scaling them up isn't necessarily that difficult. He felt that we have been pretty comfortable with supporting most programs. To follow through, Chairman Flescher stated he had been here 15 years and in those 15 years, the County Commissioners have always taken the TDC Board's recommendation very seriously. Ms. Daniels stated that was because this Board doesn't control the beach funding or the Jackie Robinson Training Complex fund. Mr. Collins stated that what he was protecting a little bit more against is the County Commission deciding to change what the Board is going to do. He stated their only value is the recommendation of the County Commission. He felt their obligation is to try to use as much money as they can to promote tourism here. At the very least he would hope that we can be using their budgeted projections and make them say no. He felt that the Board should try to do their best within the group to see that as much of the fund is used for tourism.

Kirk Funnell from Indian River County Chamber stated that he knew that it looked like a big number but if you kind of broke it down into each segment, they spent a little bit over their advertising budget this year. This was actually due because of PPP loans, no traveling and no FAM Tours. They did not have those and they wanted to respect the County in the budget and get the PPP loans. They actually received two or three rounds of the PPP loans. So, that kind of explains that high number. Ms. Mechling said they didn't think that they were allowed to use that for advertising dollars because that's what was allocated towards other things. They got to spend as much as they can on the advertising side but it definitely looks like a lot bigger number than what they actually did. Mr. Collins said that made sense. Ms. Smalley stated that she thought it was important to ask the agencies not to spend all their budgets, to be conservative just because we weren't sure where we were going with the revenues. In Fiscal Year 2019/2020 the Board appreciated them not spending all their money. They would encourage that just as a reminder.

Other Matters

Ms. Karen Mechling had invited guests from the audience. She is on a committee at the Environmental Learning Center for their Restoration Annual Gala Event that's coming up in March. So, based on timing of our schedule, our next meeting is not until February so she thought that this was probably the best time to ask them to come say a few words about ELC. Being on this new Committee, Ms. Mechling has learned so much more about what ELC is doing. Mr. Kirk Funnell is actually on the Committee as well. This event coming out actually is to show off their brand-new pavilion which is under construction right now. It had to get pushed off until March based on construction but this new pavilion based on their envision is why she sent a request for them to speak to the Board. They might come back in the future asking for money. They're an organization that's broadening their vision. This pavilion could be a destination point where we get tourists to come stay overnight to go to an event that's happening in this pavilion because of what they're going to be able to do out there. So, she thought it was a good segway to maybe see them again in the future once this is up and running and have a more outline of their program of what they're doing and if they may qualify for TDC dollars,

John Daniels introduced himself as the Chair of the Board of the Environmental Learning Center which is a 64-acre nature center located on the Wabasso Island in Vero Beach. He thanked the Board for the opportunity to come and talk to them about some of the great things that are happening on their campus in the center of the Indian River Lagoon which as we know is one of the most biodiverse estuaries in North America and the home of over 4,300 species of plants and animals. He felt the ELC has always been an excellent tourist attraction since it was founded in 1988 by a group of environmentally conscious pioneers from the Pelican Island Audubon Society. These pioneers lived in our community and cherished the nature that thrives in the Indian River Lagoon and not only that they actually wanted to do something about it. In 1987, the Indian River County Commission agreed to lease public land where the facility would be built but on one condition only if the ELC would raise funding to operate the center for the public's use. So, that's exactly what they did. The ELC later facilitated their relationship with the Indian River County School District which he would say is their biggest partner still today. The School Board agreed to send elementary school students to the ELC once it was operational and in 1992 their first elementary school students set foot on their campus and they haven't stopped since. In 2022, they expect every third grader in the county to attend what they call "Hands On, Feet Wet Education" on their campus. Market research has informed them that today more than ever before travelers are seeking places to relax and feel welcome. An increasing percentage of travelers are spending more time outdoors than ten years ago. They also note that all of us are spending more and more of our work as well as play time connected to our digital devices. This is why their tag align is on play, discover and connect. The ELC is a place where you can really get away from the hustle and bustle and connect with the environment. This is their mission which is to educate, inspire and empower all people to be active stewards of the environment and their own wellbeing.

When he joined the Board in 2018, they had just completed a very ambitious master plan which essentially created at least a ten-year vision of new exhibits and new facilities to attract more visitors to their campus. What the master plan lacked then, however, was a sound business plan and a sensible way to chunk this endeavor up into manageable pieces so they set out and did that work. They developed a goal of driving up their visits from 10,000 per year in 2017 to 25,000 per year in 2024. To do this, they started by focusing on adding revenue producing programs as well as shoring up their existing infrastructure which was suffering from years of deferred maintenance.

They learned from their market research that they have over 700,000 people who live within a 60-minute drive of their facility and that McKee Gardens does over 60,000 visitors annually. So, this is a realistic interim short-term goal. Just as they were getting this new focus underway, they unexpectedly lost their Executive Director and so they conducted a national search for a new Executive Director. Fortunately for them they found a Vero Beach native, Barbara Schlitt Ford who was not only their best candidate but turned out to be a truly excellent leader of their organization. Before COVID hit, Ms. Schlitt Ford had analyzed all of their existing programs, eliminated those that didn't support themselves and started to add new ones that began to create a dramatic uptick in their visits. In the last weeks before COVID shut them down they had an EcoFest event that had 1,200 visitors on their campus for a one-day event.

During COVID when visits were slow, Ms. Schlitt Ford focused on spiffing up their campus and renovating boardwalks. They replaced leaky roofs, improved their signage, upgraded their Discovery Center which is a small aquarium which now has a beautiful new immersive epoxy floor painting and enhanced exhibits. For those of you that haven't visited their campus in a while, you will be amazed at how great it looks. There are so many things to do at the ELC. They offer many different programs for all ages. They even have all-terrain wheelchairs so that people with mobility issues can easily access areas on campus. Guests can come and enjoy their pontoon boat tours where often times they get a chance to see the wildlife on the lagoon. They also have kayak rentals, canoe excursions, nature walks, bike tours through the Jungle Trail which is an incredible experience. Most of these activities are facilitated by their incredibly knowledgeable volunteers of which they have over 200. Many of them with Master Naturalist Degrees so they can really help you understand what you're looking at. There are forced therapy walks, edible and medicinal plant walks. Natural Skin Care and Lotions making classes. They offer many of these classes in the summer. They have a brand-new program Key Government which is really a neat body, mind and spirit exercise. They've just started a class which is offered every Wednesday from 9:00 to 10:00 a.m. on their campus. It's a great exercise and you can use it for a corporate retreat or team activity for your business. They also have regularly changing art shows. The latest and greatest thing that has taken place on campus is the construction of their new Thomas Schidel Education and Event Pavilion. It is scheduled for completion in January. It's a big covered bandshell type structure that they'll be able to seat about 100 people comfortably in the shade and has an outdoor amphitheater that can hold as many as 1,000 people. They're planning a very exciting opening gala on Saturday, March 26th with Broadway singers and dancers and original music written specifically for this event around the restoration. Ms. Mechling is on their Gala Committee and can share her thoughts on this as well. While the 26th of March will be a high-end \$250 a person type event they will also be having a much less expensive celebration for \$25 per person the following day which they hope will get an EcoFest type crowd too. They also have a free preview on December 8th. What they're trying to do in this event is to show what the possibilities are for using this new facility that will they hope draw more traffic to Indian River County. So, most importantly his message today was that they are alive and well and striving to become one of the top tourist attractions in the county and he encouraged everyone to visit the ELC. He stated that Ms. Schlitt Ford and staff would be more than happy to give a personal tour.

Ms. Karen Mechling presented beautifully printed invitations to the preview VIP event on December 8th. She was so happy to be involved because she felt this was a great addition to our County and she thought there was great things happening in the future. Hopefully this will be successful. Tickets are already on sale. Sponsorship opportunities as well. She stated that non-profit organizations put on wonderful events throughout the year for us to go to. This was really a kind of a shot in the arm for ELC. It is an amazing event with a professional production company doing amazing things.

Chairman Flescher stated that the ELC is most certainly a gem of Indian River County's collection of great gems. He has had great educational experiences with his kids. He felt that it was a great tourism draw and people do travel to come to see ELC. He appreciated the collective invitation but through Sunshine Laws, it will have to be done on an individual basis.

Ms. Bates stated that it was a great facility. She had yet to do it but have had heard so many great things about kayaking under the lights. They string up lights through the mangroves and a guide will take you on a canoe trip as well.

Mr. Kevin Greene, Director of Events, Play Treasure Coast Sports Tourism presented a quick update on what the upcoming year was looking like. He stated that 2021 was an incredible year for them. They grant funded the most events that they've ever funded in the past across the entire Treasure Coast. Indian River was a major benefactor of that. As a quick update on the upcoming year, they're planning for another great year. They're seeing a lot of the events returning that were either cancelled or just almost completely wiped out from COVID. So, they're seeing a lot of those events returning which is great to see. A lot of what we did in 2021 were relocated events. They were open for business and they picked up a lot of new events from COVID. The plus from that is a lot of these events are either going to relocate back to where they were or they're going to plan to stay here just because they love the area so much and working with the Sports Commission and working with our hotels and restaurants. Soccer and Lacrosse Masters, they will be back for four separate weekends. That will be two weekends of soccer and two weekends of lacrosse split up by male and female. They will be using the Hobart Soccer Complex. They're working with Fishers of Men. They were here last year. They stayed at Captain Hiram's. They're working with them to finalize a deal right now for them to come back and fish on Headwaters Lake so as much as we do love the beach, they are trying to push what they have out in Fellsmere as well because the fresh water fishing out there is incredible. Florida Half Century Softball for those that don't know, Commissioner Earman is a very seasoned participant when it comes to that. They will be here in 2022 for three different dates. They will be utilizing North and South County. The age groups are 50 and 60-year-olds.

Another great thing about all this and this comes back to a lot of the returning events rowing and swimming, winter trainings that they have that basically you can go for three or four months long at a time and all those schools were on travel restrictions. They weren't able to come down. They are all going to be returning. The North County Pool and the C-54 Canal as well as the Vero Beach Rowing Center they're working with all of them. These teams will come and stay for a week at a time over a three or four-month period. The C-54 Canal, the Vero Beach Rowing Club, the North County Pool. When it comes to these Winter trainings, high schools or colleges that they either can't get on the fields or it's just too cold and they want to come to Florida. They want to come to Indian River County. The Jackie Robinson Spring Training as well which again their fields are frozen. If they don't have an indoor facility, they want to come down and play baseball here. Grand Harbor Tennis they're working with them for their International Open in January. Last but not least Vero Beach Pickleball Championship at the Pocahontas Park is gearing up for another strong year.

Michael Stutzke will be retiring from their Board. He was the Athletic Director at Sebastian River High School for many years. He's been on the Play Treasure Coast Sports Commission Board for over 20 years. He was their Chairman so he will be retiring and Jill Hanson with the Staybridge Hotel will be their new Chair Person. Their board meetings are always open to the public and they are listed on their website.

Chairman Flescher stated he was remised at the beginning of the meeting. He asked the Recording Secretary if she had called a quorum but had requested her to introduce herself. Lisa introduced herself stating she was standing in for Kim Moirano today.

We now have the approval of the 2022 Meeting Dates. He hoped that everybody had looked at it and the calendar. He asked if there were any questions. He asked if anything else comes up during the year where one member may not be able to attend but if there is something happening where we are not going to be able to have a quorum to please communicate with the Recording Secretary so that if we have to make an adjustment, we will.

ON MOTION BY Mr. Collins, seconded by Ms. Mechling, the Council unanimously (8-0) approved the 2022 TDC Dates as presented.

Mr. Hayes asked whether Chairman Flescher was going to sit as Chairman of the Board next year. He stated yesterday they had a change of the makeup of the County Commission. He stated he was no longer the Chair. They have turned the hands over to Commissioner Peter O'Bryan who is now the Chairman. It is the discretion of the Chairman to determine who will be assigned to what committees. He has had the privilege and honor of being assigned to this committee for a number of years. He has enjoyed working with everyone and if he is selected, he

would like to continue to work with everyone but again it's at the sole discretion of the Chairman of the County Commission.

Next Meeting Date

The next Tourist Development Council meeting will be held on **Wednesday, February 16, 2022, at 2:00 p.m.**

Adjournment

There being no further business, the meeting adjourned at approximately 2:53 p.m.