

TOURIST DEVELOPMENT COUNCIL MEETING
January 9, 2023

MEMBERS PRESENT

Commr. Douglas B. Shields, Chairman
Mr. Alex Cooke
Ms. Gigi Lemon
Mr. Jim Gunderson
Mr. Michael Pederson
Mr. Steven Bishop
Mr. Kevin Jowett
Councilmember Jim Purvis

MEMBERS NOT PRESENT

Mr. Bud Beucher

OTHERS PRESENT

Mr. Ryan Ritchie, Director for the Office of Visit Lake
Ms. Jennifer Clutts, Tourism Marketing Manager
Mr. Brent Nelson, Senior Vice President of Business Development for the Greater Orlando Sports Commission
Ms. Lindsey McBride, Senior Director of Events and Business Development for the Greater Orlando Sports Commission
Mr. Brett Gordon, Chief Revenue Officer for Madden Media
Ms. Jen Carlisle, Destination Strategy Director for Madden Media
Ms. Melanie Marsh, County Attorney
Mr. Josh Pearson, Deputy Clerk, Board Support

CALL TO ORDER

Commr. Shields called the meeting of the Lake County Tourist Development Council (TDC) to order at 2:00 p.m. on January 9, 2023, in County Commission Chambers, Administration Building, Tavares, Florida.

MINUTES APPROVAL

On a motion by Councilmember Purvis, seconded by Mr. Pederson and carried unanimously by a vote of 8-0, the TDC approved the minutes for the TDC meeting of October 10, 2022 (Regular Meeting).

CITIZEN QUESTION AND COMMENT PERIOD

No one wished to address the TDC at this time.

EMPLOYEE INTRODUCTION

Mr. Ryan Ritchie, Director for the Office of Visit Lake, introduced Mr. Andrew Grant, the new Sports Tourism Manager, who started in November 2022. He noted that Mr. Grant was born in Long Island, New York and had been mostly raised in Lake County. He indicated that he had a lot of experience in the industry with an athletic, sports, and sales background, and that he had been doing a phenomenal job.

CAPITAL PROJECTS PRESENTATION

CITY OF LEESBURG

Mr. Ritchie provided a timeline for the capital projects application process and pointed out the following: on July 25, 2022, staff conducted a Zoom learning session with 11 other organizations; on August 19, 2022, one application was received which was from the City of Leesburg; on September 27, 2022, the TDC members were provided with a copy of the full application along with sufficiency questions and answers from staff and the City, as well as a five year performing document; on October 17, 2022, the first review meeting was held in which it was determined to allow more time to evaluate the project; on October 25, 2022, a meeting was held between the City, Visit Lake, and the Greater Orlando Sports Commission (GO Sports) to discuss events that could possibly be recruited to this; and on November 30, 2022, staff met with the City to discuss this project as well as their master planning vision. He then explained that the City was requesting funding in the amount of \$1 million for the Susan Street Sports Complex. He indicated that the City was committed to their emphasis on sports tourism for this project and that sports tourism involved the traveling of persons for purposes of watching, playing sports, or visiting a sports destination both for competitive and non-competitive undertakings. He mentioned that many factors existed when investing in sports tourism related projects, and noted that the goals and objectives related to sports tourism stimulated the growth of the local economy, marketed the destination for sports tourism, were great for entertainment and experiences within the community, and enhanced the quality of life through those events. He stated that the analysis of this application involved a thorough review of the application as well as discussions with City staff and GO Sports regarding the analysis of event organizers and the potential recruited events. He also mentioned that staff conducted an analysis of the projected event calendar and subsequent room night and visitor projections, and that staff believed this project was reasonable and appropriate; however, he said that the projection of net new room nights and room nights to be generated by the project could be difficult to forecast due to the nature of recruiting sports tourism events. He explained that while City staff had obtained soft commitments from various event organizers, it was difficult to solidify those commitments until the project was finished. He noted that the \$1 million Tourist Development Tax (TDT) request was 25 percent of the total project cost and that typically the request was for 50 percent, stating that the City could be asking for \$2 million instead. He displayed a chart showing the amount and percent bonus for the capital projects impact model and explained that this was developed to assist Visit Lake staff with making a determination on capital projects funding by looking at the present value of the projected future stream of TDT revenues to be generated by the project and the impact was then converted into a base funding award. He elaborated that the model then awarded bonuses up to 70 percent of the base award based on the economic impact of the project, the frequency of use, and the applicant contributions and that the economic impact bonus included the sales tax, the bed tax, and the county tax as well as spending assumptions for retail, food and beverage, and transportation. He indicated that there had been

discussions regarding accountability practices and noted that there were reporting requirements within the capital improvement project policy that the City would have to meet as stated in the agreement, such as quarterly project status reports containing a brief narrative summary with updated information on the capital project including a financial status report and planning and construction related activities, as well as a construction completion report within 45 days of completion of the capital project. He noted that a room night certification form was also required and that the organization must make every effort to obtain the number of overnight stays from local hotels within the county that housed those attending the event. He stated that project impact reports were required no later than January 30 and July 15 of each calendar year after the completion of the capital project for a term of three years which detailed the events that had taken place and survey results from the attendees of the events which included the number of persons that attended the event, the number of nights stayed, as well as the attendees' food and entertainment budget while visiting and ways to improve their visit to Lake County. He then requested funding for the Susan Street Sports Complex not to exceed \$996,000.

Commr. Shields stated that at his first TDC meeting two years ago he found out that they had \$3 million of capital improvement funding and had been trying to figure out how to spend it ever since. He then asked how much funding was currently available.

Mr. Ritchie replied that it was still at \$3 million and that this was the first application since they reopened the program after it had been paused due to the coronavirus disease 2019 (COVID-19).

Commr. Shields commented that they knew they needed more fields, and that in order to manage them, they needed to market them.

Mr. Ritchie indicated that this was a collaboration between Visit Lake, GO Sports, and the City of Leesburg as the City was building the facility, but Visit Lake and GO Sports would help with recruitment of events.

Mr. Jim Gunderson clarified that the reason they still had \$3 million for capital projects was because there were no qualifying projects to come forward. He then expressed his concern about how it seemed as though Visit Lake would become the sales agent for this and would be responsible for attracting events; additionally, he said that he hoped there would be more of a direct sales effort being proposed from the City for \$1 million instead of them just building the complex.

Mr. Ritchie noted that he could defer to the City to discuss their sales efforts; however, he said that it was part of Visit Lake's job and responsibility to assist community partners in bringing events to the area.

Mr. Gunderson mentioned that he understood that Visit Lake would become the lead source since organizations reached out to them; however, he thought the objective was for Visit Lake to then hand that responsibility off to whomever was going to be in charge of that.

Mr. Ritchie relayed his understanding that the City had an organization that assisted in providing recruiting services; furthermore, he said that the facility was going to be owned and operated by the City, and that the County was not going to take full responsibility in recruiting events for them.

Mr. Michael Pederson pointed out that he was unsure of the expectations of the County; however, he said that the City had an agreement with Alison Strange and Associates to bring in softball tournaments.

Mr. Gunderson asked at what point the City would then take over the financial responsibility of attracting, recruiting, and putting on those events. He questioned if the City was prepared to pay Alison Strange and Associates the full amount since in the past those funds had come from the TDC.

Mr. Al Minner, Leesburg City Manager, explained that the City was committed to marketing sports tourism as they had been trying to do more to live up to their logo which was “The Lakefront City.” He elaborated that their biggest accomplishment from the past few years was bringing in the National Collegiate Athletic Association (NCAA) softball tournaments at the Sleepy Hollow Sports Complex which allowed them to form a partnership with Alison Strange and Associates. He agreed that while Ms. Strange received funding from the TDC in the past as part of her association, this request was for more than NCAA events and had the opportunity to bring in other sports, such as lacrosse, soccer, rugby, and football. He expressed that the City was committed to this project by using their recreation department and funding through their general revenues and through their contract with Ms. Strange.

Mr. Gunderson pointed out that the TDC had already seen a presentation on this and that they had asked for more detail and refinement on it to include the scope of it, the layout, and how this complex would generate the level of bed tax required to fund such a large project.

Mr. Minner indicated that this project was currently in the concept phase and he opined that it was currently the proper time to ask the TDC for a recommendation to the Board of County Commissioners (BCC) for funding so it could get into the design phase. He related that they did not know the exact location for everything; however, they had a rough footprint and a good idea where everything would fit. He noted that if this were to be approved by the BCC, the City would start the request for proposal (RFP) process to recruit an engineering firm to help design the complex and get the exact layout in February or March 2023. He said that they could view the presentation again if they wanted more details on the concept or they could hear from Ms. Strange if they wanted more details on how they planned to recruit events.

Mr. Travis Rima, Director of Recreation for the City of Leesburg, explained that the message they had received after the last meeting and in having discussions with Visit Lake staff was that the TDC wanted to see an overall plan and what their commitment was to sports tourism; therefore, they worked with Ms. Strange and Visit Lake and created a new presentation that showed the overall City plan with Susan Street as part of that plan. He displayed a map showing their citywide tourism plan and stated that they wanted to concentrate on Venetian Gardens and the Venetian Cove area, Susan Street, and Sleepy Hollow. He pointed out that they broke up the improvements

to the Venetian Gardens area into four phases, starting with the park and splash pads, then the ski beach renovation and the docks which TDC was involved in, the Venetian Center, and then the marina; additionally, he said that they had also completed upgrades at the Pat Thomas stadium. He mentioned that Susan Street currently had four baseball fields, tennis courts, a small multi-purpose field, and a parking lot and that they wanted to upgrade it to six grass fields, a championship stadium and turf field; furthermore, he said that they were not able to bring many outside events with the current setup as it was more of a city park. He stated that with the \$4 million budget they were probably looking at only five fields. He noted that Sleepy Hollow currently had eight baseball/softball fields and two multi-purpose fields and with the expansion of the Susan Street Sports Complex, they could remove the multi-purpose fields at Sleepy Hollow and add two more softball fields which would enable them to expand their offerings and bring in larger events. He related that there had been a significant increase in the number of tournaments, the size of the tournaments, and the number of visitors that have come in for softball events. He stated that they were trying to enhance these areas to promote and create even more of a buzz for sports tourism.

Mr. Alex Cooke mentioned that the original presentation showed there were five fields and now it has been increased to seven.

Mr. Rima explained that the previous plan showed phase one of Susan Street being the five fields and once that was completed two softball fields would be added to Sleepy Hollow. He noted that phase two of Susan Street would be to add the two additional fields on the north side of the complex.

Mr. Gunderson asked if all of the fields at Susan Street would be rectangular.

Mr. Rima confirmed this, noting that they planned to have rectangle fields at Susan Street and diamond fields at Sleepy Hollow.

Mr. Minner clarified that Susan Street was currently a city park with the ability to become a regional attraction, and that they were trying to separate the rectangle fields from the baseball fields in order to bring in sporting events. He elaborated that having many baseball fields at one complex would attract more events, thus bringing in more sports tourism dollars as these events wanted to be able to have a certain number of play fields as well as practice fields, which was what they were trying to do with Sleepy Hollow. He pointed out that Susan Street currently had four baseball fields, tennis courts, racquetball courts, and a parking lot and that the track field was actually two more baseball fields and a football field. He said that they would use this same footprint more strategically for rectangle sports. He noted that the City was asking for \$1 million from the TDC and that they would be matching that with \$3 million. He pointed out that the TDC had contributed about \$650,000 for improvements to Venetian Gardens while the City had spent about \$15 million, and that the TDC had contributed about \$500,000 to Sleepy Hollow while the City had spent about \$5 million, noting that the City was committed to these improvements. He opined that they had spent their own money extremely wisely.

Ms. Alison Strange, Chief Executive Officer (CEO) of Alison Strange and Associates, explained that after the Big 10 situation the City of Leesburg approached her and asked for help with sports tourism, and through their collaboration they identified the three part plan of Susan Street, Sleepy Hollow, and the Venetian Center. She stated that there were 12 minutes between Susan Street and Sleepy Hollow, and that they were equidistant from Venetian Center and the hotel that just went in next to Venetian Gardens. She related that they had seen extraordinary success at Sleepy Hollow; however, they needed to bring events into the county throughout the year and not just during the spring. She mentioned that they had been able to reach out to softball organizations for the Sleepy Hollow project, but also to partners in football, rugby, and soccer for the Susan Street Sports Complex, and noted that National Collegiate Rugby was looking at a partnership with the City. She indicated that between the Leesburg Downtown Partnership and the opportunities at Susan Street, Sleepy Hollow, and Venetian Center they already had all but 15 weekends out of the year earmarked for partners without any sales of these facilities other than the efforts they had made internally. She pointed out that county staff attended conferences with rights holders around the nation and discussed the venues that were available and that was how they could sell these venues. She stated that she had started having conversations with National Collegiate Rugby the previous year and they mentioned things that they did not like in a typical rectangle sport complex, so she then took that information back to the City and they strategically designed the complex to make sure that rugby was included since the City wanted to make this a regional park, but on a national scale in the sport of rugby. She opined that there was not a better situation to put money into sports tourism as they had the staff, the contract with GO Sports, and a partner with the City, and that \$1 million was a small price to pay for a regional complex that could attract national events. She expressed that the City was fully capable and committed to this as they had already contributed a lot of money, and she opined that it was exciting to see a city have a real vision for their future, especially with sports tourism.

Mr. Cooke mentioned that during the last presentation they had discussed the possibility of a clawback provision for the grant due to prior capital projects not meeting performance projections and noted that if the City had so much faith in this and was devoting \$20 million dollars to their overall vision, then he did not see why a clawback provision would be an issue. He opined that this was a positive project that seemed to be devoted to bringing in sports tourism, and that typically TDC funds for capital projects were not used for parks or urban renewal projects. He then stated that he was interested in the metrics that were used for the 11,000 room night annual projection, as he thought it was a bold projection.

Commr. Shields asked if a clawback procedure even existed, as they had only discussed that in theory.

Ms. Melanie Marsh, County Attorney, replied that there was language that was proposed several years ago to the TDC; however, she said it was not approved by the BCC. She noted that they could recommend language for the room nights.

Mr. Cooke opined that a clawback would be a good safety mechanism for capital projects going forward.

Mr. Minner clarified that a clawback was included in the recommendation when the City asked for \$650,000 for the boat ramp and that the BCC amended it because the City did not want that.

Mr. Rima explained that they used the formulated spreadsheet from Visit Lake to calculate the 11,000 room nights, specifying that they used the estimated numbers from the organizations who had shown an interest in bringing events to this complex.

Mr. Ritchie elaborated that they could have about 215 room nights per weekend if they were to fill an event in that complex every weekend.

Mr. Gunderson asked how many rectangle fields were located at the Mike Stone Soccer Complex in the City of Tavares, and Mr. Ritchie answered that there were five fields. Mr. Gunderson then asked how many tournaments had been brought in at that complex and what the resulting room nights were.

Mr. Ritchie replied that he did not have that information at the time, but that he could receive it.

Mr. Gunderson opined that it was fundamental to find out that information as they currently had a facility that was centrally located and doing quite well.

Ms. Marsh commented that the Mike Stone Soccer Complex was owned by the Lake County Water Authority (LCWA) and that staff would not have any information on how it was being used or marketed since they had not asked for any funding from the county.

Mr. Gunderson mentioned that if someone wanted to bring in a soccer tournament to that complex, then they would still have to reach out to Lake County.

Mr. Ritchie clarified that the only event he knew of that was supported by the county was the Mike Stone Invitational that occurred annually in December.

Mr. Kevin Jowett stated that he liked the idea of having sports facilities; however, he was not convinced this complex would generate the amount of numbers for the amount of money that was being asked. He noted that he thought the fields would be used, but he was skeptical they would be used highly for tourism and he wondered whether the 11,000 room night estimate would be double counted from other events that could be happening at the same time. He opined that they needed to have a plan of which events they could attract, and that they needed a clawback provision.

Ms. Strange commented that there were actually clawback provisions in the TDC grants that have been granted for sports facilities and specified that there was one in the grant with the City of Clermont for the rowing facility; however, she said that staff never sent a letter to the City of Clermont stating they failed to perform and that they were exercising their right to clawback. She opined that staff was capable, but they needed to be encouraged to do their job. She mentioned that she understood Mr. Minner's concern about having a clawback, and related that most cities

did not have tourism experts on their staff; furthermore, she questioned how they expected the City to market this.

Mr. Minner opined that the City of Leesburg had achieved a number of significant advancements while being exceptional stewards of public money in the last 10 years, noting that all of their improvements had been done with cash and not with debt. He pointed out that in order to bring in quality events they needed to spend money to have the fields that these organizations were looking for otherwise they would go to places that had better facilities. He commented that the Mike Stone Soccer Complex was suffering because of the fields were Bahia grass with lights on them which he opined were not good to recruit economic development to Lake County, whereas the fields at Sleepy Hollow were in great shape and had the quality they wanted to recruit events there. He noted that the City was committed to the same quality fields at Susan Street. He mentioned that he understood the reason for the clawback; however, he opined that putting that requirement on the cities could result in them not wanting to do these kinds of projects which would end up putting that responsibility back onto the county. He also opined that there was a fine line between expectation and the communities taking a risk and that if Lake County and the municipalities were going to get to the next level they had to spend money.

Mr. Jowett commented that the City was putting \$20 million into this and opined that although they were not expecting it to fail, they were worried it would. He pointed out that the clawback could be over several years and not just in the first year.

Mr. Minner opined that if they went with a clawback, they should give it a proportionate amount of time and that there should be a matrix with it.

Mr. Jowett mentioned that they had a responsibility to make sure the money was being spent on tourism and stated that he did not see why a clawback was an issue if the City was so confident that this project would work. He then asked what the \$6 million was for.

Mr. Rima explained that \$4 million, which included the \$1 million in TDC funds, would be for the stadium, the football field with turf, and the four quad fields. He noted that another \$1 million would be for the additional fields and restroom facility, and that another \$1 million would complete the rest of the facility.

Councilmember Jim Purvis expressed his support for moving forward with this project. He stated that he did not have a clear cut opinion on the clawback provision at this point; however, he said that he would support the clawback if that meant this project would move forward.

Ms. Gigi Lemon pointed out that The Big House had been open for 10 years now and had a clawback provision for it when it was built since the impact fees had been waived. She specified that they were required to perform certain things over a period of time and because they did not meet the requirement, they had to pay it back. She related that at the time they were not at a point where they could bring in the number of people that was required, but that did not deter them from knowing this was going to work; furthermore, she said that they had worked very hard to market The Big House. She opined that there were multi-sport facilities being built all around Lake

County and that they needed to get on the map to bring in tourism. She said she was in favor of this item.

Councilmember Purvis asked what the projection for collections was for Fiscal Year (FY) 2023, and Mr. Ritchie replied that they had budgeted for \$4 million in collections.

Mr. Cooke commented that they could have tiers for the clawback provision as it would not need to be all or nothing, and that it would share in the good faith of the TDC funds and the City. He then noted that the \$3 million for capital projects had been frozen for a while and had not been purposefully unused. He related that he did not think that anyone on the TDC was afraid to use these funds for qualified projects, and that he did not see an issue moving forward with projects like this one, especially if there was protection in the contract for the funds.

Mr. Steve Bishop expressed his appreciation to the City of Leesburg for their vision to add venues to Lake County and noted that out of all the municipalities in the county, they were the only ones standing before the TDC on the current day. He opined that sports tourism was important, especially for Lake County as they were able to attract unique sports and people to attend these sports events because they were adjacent to large attractions. He then asked how many hotel properties and rooms were in the nearby area that would service the Susan Street Sports Complex.

Ms. Strange answered that there were about 1,000 rooms in the north end of the county, and Mr. Minner commented that there were six hotels in the city.

Mr. Bishop pointed out that the proposal estimated 938 hotel rooms per month with 216 rooms on a weekend, and asked where all those people were going to stay. He mentioned that his organization had challenges with having enough rooms for everyone to stay during beach volleyball events because there were other events taking place at the same time throughout the county, and that the hotels would become full.

Mr. Minner agreed that there was a shortage of hotels in the county and noted that in March, all of the hotels in the City of Leesburg filled up which trickled into the rest of the county and even up into Marion County.

Mr. Bishop opined that it was impossible to have 52 weekends of events in Lake County because of the low inventory of hotel rooms for guests to stay in. He commented that guests would have to stay out of the count, which then was not contributing back to the TDT fund.

Ms. Strange opined that the real issue was where all the guests would stay and not whether the City could bring in events because they needed to round out the calendar and double the room inventory in the county. She mentioned that her concern with the clawback was how they planned to get guests to stay here in Lake County. She elaborated that they needed to show that they had different events coming in all year long, especially during the summer and fall, and that they were at 80 percent capacity, and then they would be able to get more hotels.

Mr. Bishop indicated that he was concerned that it would be challenging to deliver the projected room nights based on the current inventory in Lake County.

Ms. Strange agreed, opining that needed to be considered in the clawback.

Mr. Bishop asked what kind of support they had received from the local community that would be impacted by this project, and pointed out that they did not get great support from the City of Leesburg residents when they wanted to build a beach volleyball complex at Venetian Gardens.

Mr. Minner replied that they had not received any feedback in regards to Susan Street, and noted that this area was next to the Community Redevelopment Area (CRA) which was a blighted area and was one of the reasons they were investing in that area. He explained that the residents had not wanted the beach volleyball complex because they believed it would cause a lot of activity and potential chaos in one of the marquee neighborhoods of the City. He opined that the neighborhood had changed and that the proof was in the investments they had put into Venetian Gardens. He mentioned that he did not see this occurring with Susan Street as the residents were more welcoming of the investment, opining that it would improve that area.

Mr. Bishop asked Commissioner Shields how he thought the BCC would respond to a project of this nature.

Commr. Shields replied that he thought it would be positive.

Mr. Bishop expressed his support for the project, but suggested having a more stringent project report card, if a clawback was not embraced by the BCC, that would affect how future funding requests were viewed by the TDC so that applicants did not feel like the TDC was questioning their judgement or good character.

Mr. Gunderson asked how many tournaments came to the Sleepy Hollow Sports Complex each year.

Ms. Strange answered that they were looking at 23 weekends at Sleepy Hollow during the summer and fall, not including the NCAA and THE Spring Games. She mentioned that Premier Girls Fastpitch (PGF) had come in for two weekends this fiscal year, and two weekends last fiscal year where they averaged almost 500 room nights each weekend, noting that they were looking for large facilities and wanted to make this a regular station. She noted that they had been in communication with four different rights holders for softball who were putting dates down with them and were excited about the renovations to Sleepy Hollow with the 10 fields; furthermore, she said that they wanted to be the first to the market before the Big 10 was advertised nationwide. She indicated that in order for the City to keep these events, they needed to have the 10 fields as there were nearby counties that had locations with 16 turf fields. She specified that there would be 10 fields in the City of Leesburg, five fields at Legends Way in the City of Clermont, and potentially five more fields at Hancock Park in the City of Clermont and that they needed quality facilities in order to compete. She opined that spending \$200,000 to get four game ready fields

for the Big 10 at Sleepy Hollow was not enough, and that the City would have to keep going if they wanted 23 softball weekends.

Mr. Minner related that Sleepy Hollow was booked for 46 out of the 52 weekends for non-local sporting events, which brought in people from outside the community.

Mr. Jowett asked how many room nights had been generated.

Ms. Strange replied that she estimated 350 room nights for 30 weekends. She then clarified that of the 46 weekends, there were 23 weekends that were tourism generators, which meant that 70 percent of the guests were from outside the county. She noted that her role with the City was to elevate the quality of the client for those weekends by selling the park to people who would stay in hotels.

Mr. Cooke commented that he did not understand why a tiered performance clawback provision was feared so much with all of their projections, and he explained that they could have four years to meet their projections; furthermore, if they did not, they would have to pay back a percentage. He noted that he did not think the BCC would have an issue with a fair, graded clawback provision, and opined that there needed to be a precedent in place for the TDC capital projects as well as some controls and protections of the TDC funds.

Commr. Shields expressed his concern about the clawback and there being a separation between who was building and maintaining the fields, and who was in charge of sports marketing for the County. He recalled that there was no marketing of the City of Clermont boathouse by the county.

Mr. Cooke noted that the boathouse issue could be addressed by staff directives.

Mr. Gunderson opined that it was a community's responsibility to market and sell their facility, which were two different things, and that the challenge with the capital funds was that the TDC approved of these requests with an understanding that there would be an effort from the community to make this work since it was important to them. He noted that he voted for the boathouse based on the fact that he was told it would be supported greatly, and now 10 years later they were finally seeing colleges utilizing it.

Commr. Shields asked what Mr. Gunderson believed determined success by the City of Leesburg.

Mr. Gunderson answered that the City needed someone to sell events at their facility and then manage it all.

Commr. Shields then asked what the language should be in the clawback provision.

Mr. Minner commented that he understood that the TDC wanted to be good stewards of the TDC funding and that they wanted to ensure they were spending it wisely; however, he opined that the clawback provision was challenging because the amount of hotels in Lake County have not increased, but they were expected to bring in more events and people into hotels that were already

filled. He related that no matter how many events they brought in, the room nights would spread out into other counties until the amount of hotel rooms increased, and putting a clawback provision on this would essentially penalize them for that. He opined that the clawback needed to be agreeable, and that the head count to hotel rooms formula was not the right formula.

Mr. Gunderson explained that the bed tax was about helping generate future business and to continue to market a destination. He opined that if a community wanted additional parks or fields because their community was growing and asked for tourism dollars to help pay for it, then there needed to be an equitable repayment of it. He stated that it seemed as though they were already filling their hotels on the weekends if they were talking about bringing 300 room nights per weekend for 26 weekends.

Mr. Minner pointed out that the TDC and BCC never decided whether they wanted to invest in capital projects or just fund events when the capital projects program was frozen during COVID-19. He opined that if they put clawbacks on these projects, then the TDC funding would not get spent for capital and they would end up just funding events.

Mr. Gunderson related that the point of investing TDC funds into capital projects was to benefit tourism and help generate additional funding. He then questioned why the TDC would support a project that would not generate additional hotel nights.

Commr. Shields asked why the Marriott hotel in the City of Leesburg would enter a market that did not need hotel rooms.

Mr. Gunderson opined that Marriott did not build that hotel in order to get softball rooms on the weekends. He stated that the City indicated that the hotels were already at capacity and were selling out half of the weekends, and he asked why Lakeside Inn in the City of Mount Dora, which was about eight miles from the Sleepy Hollow Sports Complex, did not receive any room nights from the overflow of softball tournaments. He opined that maybe they were not generating as many room nights as they thought, or that people were going to different areas or using Airbnb or VRBO instead.

Mr. Cooke asked how Lakeside Inn was priced in relationship to the competitors.

Mr. Gunderson stated that this was exactly the point as there were not any hotels that would come in and build in order to sell \$50 per night rooms on a weekend.

Ms. Strange pointed out that the Hampton Inns in the Cities of Clermont and Leesburg were over \$400 per night in November 2022.

Mr. Cooke noted that the City of Clermont had already approved a new hotel and that a second one was on the drawing board. He opined that a clawback provision graded over four years seemed perfectly fair as more hotels and occupancy capacity were being built.

Ms. Strange mentioned that there were three sides to this: the hotel side, the event rights holder side, and the facility side which was either the County or City. She opined that the Cities needed to be comfortable with a clawback, and agreed that Lake County needed more hotel rooms and that they needed to round out the calendar in order to do that. She said that they should be asking why they were not getting softball.

Mr. Gunderson stated that this type of business wanted rates at a lower tier.

Ms. Strange agreed, noting that team sports always looked for the \$89 to \$169 per night rooms. She mentioned that if that did not work for Lake County because they needed to be at \$229 and up, then maybe they should not be building sports tourism facilities or spending money to attract sports events here. She related that they needed to have facilities to attract that market if that was what they wanted. She noted that the definition of a tourist by statute was any person who came to a county for recreation or business who lived outside the county, and pointed out that they did not have to stay overnight. She indicated that the current marketing plans did not have accountability for people who came to the county and recommended using the statutory definition of a tourist if they wanted to have a clawback and let the cities and staff track the people who came to a venue. She commented that maybe they needed to count day trippers while they were trying to grow their hotels.

Mr. Cooke made a motion to approve the funding with a clawback provision based on the City of Leesburg's room night projection graded at 25 percent over the next four years until the projection was reached with a graded payback based on the percentage that was not reached, and Mr. Jowett seconded the motion.

Mr. Jowett relayed his understanding that the City did not want a clawback because the hotels were already full and the TDC was trying to commit money against room nights that were already there. He noted that he was in favor of this complex; however, he said that the TDC needed accurate information on how this was generating tourism, such as the number of events that were taking place and the number of tourists that came in. He related that once the complex was built, they needed to be able to justify the amount of tourists it brought in and whether their marketing effort was being sold. He made an amendment to the motion to add a feedback mechanism showing how many tournaments and people were brought into the county over the next few years.

Ms. Strange mentioned that information was trackable and that was where the clawback could come in; furthermore, she said that the issue of those people staying in local hotels was somewhat outside the City's influence. She then noted that the City was agreeable to this.

Councilmember Purvis stated that he would support this.

Mr. Cooke opined that room nights were one of the cleanest methods to determine tourism and that day trippers were harder to count as a tourist as it depended on how long they stayed for.

Ms. Lemon pointed out that it would be difficult to determine which events were responsible for bringing tourists to the hotels especially if there was more than one event each weekend. She then

asked if they could have two separate motions where the first one approved the complex and the second one asked for the BCC or staff to come up with a tracking mechanism for the project so they could move forward on this. She stated that the second motion would have a provision to make the City accountable.

Commr. Shields stated that he liked the idea of two separate motions.

Mr. Cooke opined that the clawback provision needed to be in the approval, but the details of the clawback could wait until the next meeting or a special meeting.

Ms. Marsh suggested voting on the motion currently on the floor since there was a motion and a second, and they could make another motion if it was voted down.

On a motion by Mr. Cooke, seconded by Mr. Jowett which failed by a vote of 2-5, the TDC did not approve the recommendation of a clawback provision for the Susan Street Sports Complex based on the City of Leesburg's room night projection graded at 25 percent over the next four years until the projection was reached with a graded payback based on the percentage that was not reached.

Commr. Shields, Ms. Lemon, Mr. Gunderson, Mr. Bishop, and Councilmember Purvis voted no. Mr. Pederson abstained from the vote.

On a motion by Ms. Lemon, seconded by Councilmember Purvis and carried by a vote of 5-2, the TDC approved the recommendation of funding to the City of Leesburg for the Susan Street Sports Complex, not to exceed \$996,000, with further time to allow them to come up with an accountability model.

Mr. Gunderson and Mr. Jowett voted no. Mr. Pederson abstained from the vote.

Mr. Pederson left the meeting at 4:05 p.m.

REPORTS

OFFICE OF VISIT LAKE

Mr. Ritchie gave an overview of FY 2022 and stated that it was a record year for TDT collections as they had brought in \$5,350,812. He noted that the following were contributions for this: pent up travel demand coming out of COVID-19, the increase in the average daily rates (ADR), and the increase in the new revenue sources of online platforms. He indicated that the average occupancy was 71.8 percent which was a 12 percent increase, that the ADR was \$96.20 which was an eight percent increase, and that the average revenue per available room (RevPAR) was \$75.70 which was a 36 percent increase. He pointed out that the ADR in October 2022 was \$96.94 and that it was currently at \$109.24, showing that it was trending up. He displayed a chart showing the top 20 visitor destinations, which came from their partners at Zartico, and noted that the top five included Lake Louisa State Park, Showcase of Citrus, Legends Way Ballfields, The Big House, and Renninger's Antique Center. He indicated that the top 10 origin markets included Orlando-Daytona Beach-Melbourne, Florida; Tampa-St. Pete, Florida; Miami-Ft. Lauderdale, Florida;

Jacksonville, Florida; New York, New York; West Palm Beach, Florida; Chicago, Illinois; Ft. Myers-Naples, Florida; Detroit, Michigan; and Philadelphia, Pennsylvania. He showed various social media posts and stated that they wanted to continue providing content on their social media channels in collaboration with their partners and that their goal was short form videos. He mentioned that they had sponsored 210 events which had translated into 883,000 visitors, 74,000 room nights, and an economic impact of \$245 million, noting that events had grown and new events had been added which caused an increase from FY 2021. He highlighted some of their accomplishments and stated that they had a new brand and were now known as Discover Lake County, Florida and had partnered with Madden Media on the media campaign with 10 Tampa Bay. He pointed out that with the help of GO Sports they recruited the Association of Volleyball Professionals (AVP) Pro Beach/World ParaVolley events through United States of America (USA) Volleyball Florida Region, the International Waterski and Wakeboard Federation (IWWF) World Waterski Championships, and the National Junior College Athletic Association (NJCAA) Beach Volleyball National Championships. He then gave an update on the TDT and TDT related activities through the end of the first quarter of FY 2023.

Market Analytics

Mr. Ritchie displayed several market analytics graphs reflecting fiscal year TDT revenue comparisons, occupancy numbers and rates, ADRs, RevPAR, and short-term rentals. He showed the fiscal year cumulative TDT revenue comparison chart reflecting the five previous fiscal years and the current one, and mentioned that the total collections through November 2022 were \$428,710 which was up 12 percent year over year and that they were trending towards \$800,000 after January 2023 as there had been a substantial increase in the hotel/motel collections, noting that he believed Hurricanes Ian and Nicole had a significant impact on those as about 90 percent of the hotels were sold out during that time. He pointed out that the revenue collections were as follows: the hotel/motel category was at 53 percent; the single family category was at five percent; the online platforms category was at 21 percent; and the other category, which consisted of apartments, bed and breakfasts, campgrounds, condos, multifamily, and mobile homes, was at 21 percent. He showed a comparison for FY 2019 through FY 2023 of the hotel occupancy, and stated that they were at 74 percent and were trending strong. He mentioned that they were anticipating having information for the short-term rentals in April 2023 as they were in the process of collecting data from AirDNA and were also in the process of signing on Key Data Dashboard which was the industry's leading performer for analytics and would give aggregate historical and forward-looking data in real time.

Administration and Budget

Mr. Ritchie displayed a chart of the FY 2023 Office of Visit Lake budget for promotions, which included budgeted and actual numbers as well as the percent expended, and noted that the total budget was just over \$2.4 million and that they had spent \$484,378.21 to date with \$914,217.01 encumbered leaving \$1.078 million. He pointed out that Akers Media continued to provide the Welcome Guide and that those would be distributed on March 30, 2023. He explained that the contracted events were TDC approved events contracted between Lake County and event organizers, such as Major League Fishing, NCAA golf championships, Fishers of Men, and USA Volleyball Florida Region. He noted that the co-op marketing was the destination marketing tool that was available to any organizations that wanted to promote tourism within the county and that

the advertising included initiatives with the Florida Golf Alliance, the Sports Planning Guide, and Push Sports Magazine. He related that promotional items included items with the new logo to hand out at tradeshow, conferences, and events.

Visit Lake Updates

Mr. Ritchie stated that staff had attended the Lake Extension Office farm tour and saw the different agritourism that was happening in Lake County. He noted that Ms. Jen Clutts, Tourism Marketing Manager, spoke at the November 2022 Young Professionals meeting and that at the TEAMS Conference they had an opportunity to meet with US Rowing and discuss events that could be held at the boathouse in the City of Clermont. He showed various publications and advertisements that they had worked on and stated that they collaborated with Mission Inn to promote golf in Lake County and that they had ads in the Sports Events magazine and the Major League Fishing magazine. He discussed the items they planned to focus on and mentioned that they were working on the strategic plan to help give them and the TDC a foundation and vision, that they were working with Madden Media on initiatives for their rebranding awareness, and that they planned to do a quarterly newsletter for stakeholders and the TDC. He showed the rest of the TDC meetings for the remainder of the year and indicated that the next meeting would be held April 10, 2023.

NEW BUSINESS

2023 THE SPRING GAMES

Mr. Ritchie explained that THE Spring Games would be held February 9 through March 26, 2023 in the Cities of Leesburg and Clermont. He stated that there would be 218 teams for Division I, II, III, National Association of Intercollegiate Athletics (NAIA) and NJCAA, and that the request was for \$115,000.

2023 EPSON TOUR MISSION INN CHAMPIONSHIP

Mr. Ritchie stated that the Epson Tour would be held May 26-28, 2023 at the Mission Inn Resort and Club in the Town of Howey-in-the-Hills. He noted that there would be 150 athletes with 750 room nights and that the request was for \$20,000. He indicated that the event had been held at Mission Inn for several years.

FHSAA GOLF STATE CHAMPIONSHIPS

Mr. Ritchie mentioned that this event would be held in October and November for the next three years at Mission Inn Resort and Club. He pointed out that this event had been hosted in Lake County since 2011 and that this request was for the approval of the three year extension on the contract. He noted that the request was for \$38,000 in 2023, \$42,000 in 2024, and \$46,000 in 2025 for a total of \$126,000.

Mr. Bishop asked if he had the room night projections for these events.

Mr. Ritchie pointed out that the Florida High School Athletic Association (FHSAA) Golf State Championships was 1,800 room nights per year and \$900,000 in economic impact, that the Epson Tour was 750 room nights and \$773,475 in economic impact, and that THE Spring Games was 6,750 room nights; however, he was unsure of the economic impact.

Ms. Lemon asked how many people would be at the FHSAA Golf State Championships.

Mr. Brent Nelson, Senior Vice President of Business Development for GO Sports, replied that the event would come in waves and that there were three different classifications with boys and girls for a total of about 580 athletes for each wave, which did not include staff, officials, and fans.

On a motion by Mr. Jowett, seconded by Councilmember Purvis and carried unanimously by a vote of 7-0, the TDC approved the recommendation of potential funding for the following: 2023 THE Spring Games, not to exceed \$115,000; 2023 EPSON Tour Mission Inn Championship, not to exceed \$20,000; and 2023-2025 FHSAA Golf State Championships, not to exceed \$126,000.

AROUND THE HORN

Mr. Ritchie congratulated the Beucher family on their sale of Mission Inn Resort and Club. He stated that this family had been on the TDC since 1984, which was the inception of the TDC. He expressed his gratitude toward the Beuchers and their time they gave as volunteers to the TDC making decisions for this organization.

Mr. Gunderson stated that he hoped they would encourage a representative from Mission Inn Resort and Club to continue to be engaged with the TDC going forward, as he thought they provided a significant representation for this community. He mentioned that he hoped they could refocus on some elements and aspects of tourism within Lake County that did not create the illusion that they were only focused on sports, and opined that if they wanted to continue focusing on sports, then they should have a greater range of sports. He also opined that it seemed as though they were neglecting other tourism elements throughout the county, such as in the City of Mount Dora, and that he thought they were underrepresented.

ADJOURNMENT

There being no further business to be brought to the attention of the TDC, the meeting was adjourned at 4:30 p.m.