



TDC MEETING MINUTES

February 13, 2020

Commissioner Brian Hamman, chair, called the Lee County Tourist Development Council (TDC) meeting to order at 9:03 a.m.

Council Members in Attendance

Commissioner Brian Hamman, Pamela Cronin, Colleen DePasquale, Tony Lapi, John McLain, Fran Myers and Bill Waichulis. Anita Cereceda, Brian Kramer and Robert Wells were excused.

Myers made a motion to approve the Jan. 9, 2020 TDC meeting minutes. McLain seconded the motion, which passed unanimously.

Public to be Heard

Jack Carver, Florida RV Trade Association, reported that the 35th annual RV show in Jan. 23-26 at Lee Civic Center was a success with 12,000 attendees from seven counties, 13 dealers and over 100 vendors.

Neil Curiel, Florida Repertory Theatre, thanked the council for its support and announced the roll out of next season's lineup, including *A West Side Story* in partnership with its Conservatory program for young artists.

Municipalities to be Heard

Judie Zimomra, Sanibel city manager, reported that four bids have been received on the Sanibel emergency erosion project that recently received TDT funding. Three were below estimate and the council awarded the low bid in the amount of \$1,307,000. If all goes as planned, the project will be \$80,000 less than the approved funding request. Zimomra also reported that the Lee County Electric Cooperative (LCEC) is already working on moving the necessary electrical. Zimomra thanked the council for the funding.

Alison Gieson, Fort Myers Beach director of cultural resources and Mound House museum director, promoted Mound House's dinner and movie event on Friday, Feb. 21, with a free screening of *Troubled Waters*, visit website for more events at MoundHouse.org.

Report of the Executive Director

Tamara Pigott, VCB executive director, reported resort tax collected for December 2019 was \$3,948,803, an 11.6% increase over December 2018 preliminary collections of \$3,537,771. Fiscal year-to-date preliminary tourist tax collections are \$9,042,501, an increase of 15.1% year-over-year.

Pigott also reported that the average occupancy rate in December 2019 was 67.7%, which is up 1.8% from December 2018 (66.5%). The average daily rate for December 2019 was \$155.95, up

6.3% from December 2018 (\$146.65) and RevPAR for December 2019 was \$105.56, up 8.3% from November 2018 (\$97.50).

During December 2019, 1,077,818 passengers traveled through Southwest Florida International Airport (RSW), an increase of 12.4% compared to December 2018. Year-end passenger traffic was up 9.1 percent compared to last year.

Pigott also welcomed visiting German journalist, Henry Barchet of AUDIOTRAVELS, who is in the area to produce a podcast on the destination.

DSG Report

Phillip Downs, DSG, reported on fall season 2019 highlights. Lee County welcomed 1,249,500 visitors between October and December 2019, an increase of 13.6% from 2018. During this timeframe, visitors spent more than \$743 million in the destination, resulting in a total economic impact of more than \$1.2 billion, up 8.7% from 2018. Downs said 87% of visitors came from the U.S., while Germany and Canada represented the majority of international visitors with 5% and 3%, respectively.

Sports Development Report

Jeff Mielke, Sports Development director, reported 2019 year-end highlights including 153 annual events that resulted in 162,093 room nights sold and direct visitor spending in excess of \$70 million. Mielke said Lee County saw the best November on record due to the Hobie 16 World Championship and Roy Hobbs World Series. Mielke said the focus for April and May is event recruitment with some non-traditional sports like netball. He reported that the county is maximizing its use of JetBlue Park and CenturyLink Sports Complex and are using a lot of parks and recreation facilities with the 150-160 events hosted a year. He added the KIA Tigers, a professional South Korean baseball team will be in destination for 40 days (Feb. 1-March 5).

Commissioner Hamman noted there is a bill that is moving through the legislature to prohibit use of TDT dollars to build baseball facilities. This item is a leadership priority in the House and would affect new projects after July 2021.

STR Report

Emmy Hise, STR, presented an overview of the hotel industry. In 2019, the U.S. saw record-setting highs for ADR and RevPar, while occupancy remained flat. For 2020, STR forecasts Lee County's average occupancy will remain flat at 68.6%, ADR will increase 0.7% to \$158 and RevPar will increase slightly to \$109. Economic factors to watch include low unemployment, however the labor market is cooling, wages rising, but the wage growth peak has likely passed, consumer spending is driving GDP, but gently cooling income growth that will lead to softer spending as well as, strong corporate earnings, but business investment activity is slumping. The U.S. is set to outpace the rest of G7 in 2020 for GDP growth and recession odds are lower than 25%.

International inbound arrivals have slowed, but domestic have increased and it is important to be aware of the developing coronavirus.

RevPAR growth in Lee County is driven by upper-tier classes and the county's room supply is distributed rather evenly. Also, transient travel dominates the Lee County market over group bookings.

The forecast looks flat nationally and Lee County is forecasted higher than the national outlook. Lee County is forecasted to see occupancy stay the same but see a 0.7% increase in ADR and a 0.8% increase in RevPar. Full report is available for download on HotelNewsNow.com.

New Business

Lucy Maldonado, VCB fiscal manager, reported on the first quarter budget with an overall spend rate at 24% and advertising at 23% which is typical in the first quarter. Maldonado noted that the attractions marketing and events marketing funding were broken out for reporting purposes. The Beach and Shoreline budget is at 23% and Sports Development at 31%.

A motion to approve the first quarter budget was made by Lapi, seconded by Cronin and passed unanimously.

For Council Information

Pigott provided the council with a packet from Destinations Florida on what tourism does to our state and local economies and asked the council to review it.

Commissioner Hamman announced that the Conservation 20/20 program has reached its 30,000 acre milestone. Glen Salyer, assistant county manager, added that a month-long celebration has been planned, including a ribbon-cutting and events at preserves throughout the county. There will be a special-event website to keep up with all the event information. Commissioner Hamman added that Conservation 20/20 got its name from the goal of conserving 20% of the county's land by 2020 and that goal has now been surpassed. Pigott added the logo for the event was created by VCB intern Sorena Vargas.

Commissioner Hamman also updated the council that the state Senate has 4.25 million in its budget with hopes that the delegation in the state House will match it for the Sanibel Causeway project to include structured parking and bathroom additions.

Commissioner Hamman noted that the policy change that was previously endorsed by the TDC in regard to the restriction on TDT funds being used to maintain fishing piers after our population reaches 750,000 is in the legislature. It is being asked to raise the population cap to 950,000 to allow all current counties to still be able to use TDT funds to maintain fishing piers. Right now it is included in the Florida House's proposed tax package.

TDC Member Items

- DePasquale informed the council of the upcoming FRLA breakfast Feb. 19 at Broadway Palm Dinner Theatre. Bill Fricke with Enterprise Holdings will be speaking on commuting with Enterprise.
- Myers mentioned the Airport Special Management Committee meeting was canceled at the RSW last month. Commissioner Hamman said the airport is on the commission's strategic planning retreat agenda and he thanked the team at RSW for their hard work.

- McLain mentioned the Gulf Coast Dream Cruise event Feb. 15, and donations benefit Golisano Children's Hospital.

Adjourn

The meeting adjourned at 10:08 a.m.

Next TDC Meeting

The next TDC meeting is at **2 p.m. Thursday, March 12, 2020**. The meeting will be held in Room 118, 2201 Second St., Fort Myers. To view a complete tax collections report, visit LeeVCB.com. Contact: Tamara Pigott, TPigott@leegov.com, Lee County VCB, 239-338-3500.