

MEMORANDUM

TO: Loretta Shaffer

FROM: Tom Schwartz

DATE: May 2, 2025

SUBJECT: Does the City of Ocala's Request for financial support for their 4th of July Event Conform with Section 125.0104, Florida Statutes

Factual Background:

You have requested legal guidance regarding the statutory conformity with s. 125.0104, F.S. of the City of Ocala's (City) request to VCB for financial support in connection with their Patriotic Skies at Tusawilla Park, 4th of July 2025 event.

Legal Considerations:

Section 125.0104 (5), F.S., addresses the authorized uses of tourist development tax revenues in the promotion and marketing of tourism in Marion County. Specifically, s. 125.0104 (5)(a) 3 requires that these revenues be used by the County to "promote and advertise tourism in this state and nationally and internationally; however, if tax revenues are expended for an activity, service, venue, or event, the activity, service, venue, or event must have as one of its main purposes the attraction of tourists as evidenced by the promotion of the activity, service, venue or event to tourists."

S. 125.0104 (2) (b) 1. defines "promotion" as marketing or advertising designed to increase tourist-related business activities to "tourists," defined in s. 125.0104 (2) (b) 2, F.S. as "a person who participates in trade or recreation activities outside the county of his or her permanent residence or who rents or leases transient accommodations..."

In evaluating the City's Funding Questionnaire and related correspondence, the City maintains that it seeks reimbursement for the following itemized event expenses:

Sound & Lighting Production: \$15,000.00

Entertainment - Bryce Mauldin: \$6,000.00 (5-member band from Nashville, staying 2 nights)

Billboards: \$3,000.00

Radio Ads: \$500.00

Social Ads: \$500.00

The City anticipates 10,000 attendees at its event and estimates 10% of these attendees will be from outside of Marion County. Provided the foregoing 10% estimate of attendees can be documented as originating from outside of Marion County, VCB could reimburse, the following statutorily-authorized expenses (10% of Expenses):

- Sound / Lighting Production: \$1,500
- Entertainment as Operational Expenses: \$600
- Billboards/Radio Ads/Social Ads as Marketing Expenses (provided these are verifiable out-of-market advertising costs that are co-branded with VCB's logo): \$4,000.00
- Total: \$6,100

To qualify for these reimbursements, there must be a showing, i.e., "evidence," submitted by the City in connection with their request, demonstrating quantifiable and measurable data reflecting the permanent residence of tourist attendees at the event. This information, obtained through the collection of tourist patron zip codes, or other measurable data sets (i.e. surveys, visitor credit card tracking, park & shuttle origin tracking, etc.) would objectively demonstrate what portion of the event's attendees are tourists that come to enjoy the City's 4th of July event from outside of Marion County. Quantifiable data on the origin of event visitors from outside of Marion County, as presented post-event to the TDC and evaluated by VCB staff and the BOCC, will document expenditures eligible for financial support in conformance with the County's statutory limitations.

CONCLUSION:

The City's request for financial support for its Patriotic Skies 2025 event must be limited to the hard data evidence it provides on tourist attendees of the event originating from outside of Marion County.