

Tourist Development Council Regular Meeting
Ocala/Marion County Visitor & Convention Bureau
109 W Silver Springs Blvd.
Ocala, FL 34475
Thursday, March 25, 2021
10:00 a.m.

Due to COVID-19 the regularly scheduled meeting for the Tourist Development Council was held both in person and via WebEx.

The meeting was called to order at 10:00 a.m. by Rus Adams, Chairman.

Roll Call

Present:

Jason Reynolds, Bill White, Traci Walker, Rus Adams, and Jeff Bailey.

Staff:

Stacy Swartout, Jessica Heller, Corry Locke, Loretta Shaffer and Sky Wheeler

Guests:

William Harris, Assistant County Attorney, Marion County; Jeannie Rickman, Assistant County Administrator, Marion County; Danielle Ackerman, Paradise Advertising; Emily Broadus, Paradise Advertising; Greg Reinhart, Paradise Advertising; Rachael Anglin, Downs & St. Germain; Rudy Webb, Paradise Advertising; Derek Mogar, Destination Signals; Sara Shepherd, Quest Corporation; Isia Lewis, Downs & St. Germain; Jay Harvery, Comfort Suites; Karan Gaekwad; Kristy Burns, Hampton Ocala; Mayor Kent Guinn, Ocala; Paresh Paresh

Notice of Publication

Notice was published on the County Website on January 2, 2021 and subsequently updated to include WebEx information on March 18, 2021.

Approval of Minutes

A motion was made by Jeff Bailey, seconded by Jason Reynolds, to adopt the minutes from the February 25, 2021 Tourist Development Council Meeting. The motion was unanimously approved by the board (5-0).

Acknowledgement of Financials – February

A motion was made by Jeff Bailey, seconded by Traci Walker, to accept the Revenue Status Report and Expenditure Status Report for February 2021. The motion was unanimously approved by the board (5-0).

Report from the Chair – Rus Adams

Mr. Rus Adams stated, when the board receives emails from the Visitors Bureau staff to schedule one on one's and to confirm quorum that it's imperative that each board member respond. Failure to respond could potentially cause a meeting to be delayed or cancelled at the last minute.

Ms. Loretta Shaffer, Tourist Development Director, stated that she appreciated what Mr. Adams stated about advance notice as it does help the entire VCB team. That if the board member chooses not to have a one on one, to please advise if they will be present for the meeting. Ms. Shaffer continued, there will be a modification with the funding request for the Spartan Race and Tough Mudder Jamboree and that Mr. Corry Locke, Group Sales Supervisor would be going over the details of the change.

Funding Requests

Spartan Race and Tough Mudder Jamboree

Mr. Locke stated, the funding request that was on the agenda Spartan Race and Tough Mudder Jamboree that was scheduled to take place December 10-12, 2021 for a three year agreement had a development and modifications may have to be made. The event could decrease by as much as 50%, the board could elect to decrease the award by 50% or the VCB can bring back the request the following month with the additional details. Mr. Jeff Bailey, stated that he wanted to know why the event was decreasing by 50%. Mr. Locke stated, that the venue, World Equestrian Center, that some of the land that was going to be used for the event is going to be developed, right now the venue is looking at other parts of the property, but right now it looks like the event would not be able to have the obstacle course which would cause the decrease of 50%. Mr. Locke clarified that capacity for the event was at 16,000 people. Mr. Rus Adams stated, the slide from 16,000 to 8,000 as far as the funding request goes, the board could choose to give the VCB some latitude to at least continue negotiations with the event planners so the event wouldn't be completely cancelled. Mr. Bailey asked for clarification the following years, stating that this year would be 8,000 and then the other two years would be at 16,000. Mr. Locke added, that it would depend on how the event could

design the course layout. The amount of money the event would get would still be based on the number of room nights that are produced. The original request had a guarantee of 4,000 room nights with a reimbursement of \$40,000.00, if decreased by 50% that would be 2,000 room night and a reimbursement of \$20,000.00. Mr. Adams wanted to know if these developments would jeopardize the three year opportunity. Mr. Locke added, that the event planner doesn't want to have to keep trying to find a location, and submit a plan for each year of funding. The planner liked the location, the venue, the VCB team has been working hard with the event coordinator, they want the event to happen here, but it will be based on whether the venue can provide the necessary acres to the event.

Mr. Jason Reynolds clarified the different event that Spartan does other courses for running not just the obstacle courses. Mr. Locke stated, that there are other events that they do put on, and the VCB will continue to have discussions with the planner in the coming weeks about perhaps doing an altered course or looking for another location. Mr. Bailey added, that Spartan's trail running series might be worth talking to other county departments to see if hosting that type of event would be doable. Also, the event itself is still worth moving forward even if it's at a reduced amount. The size of the event will still be have a large impact on the surrounding hotels, businesses and restaurants.

A motion was made by Jason Reynolds, seconded by Traci Walker, to approve funding for the Spartan Race and Tough Mudder Jamboree based on a pro-rated scale altered by expected/anticipated attendance. The motion was unanimously approved by the board (5-0).

Staff Updates

Presentation: Q3 Media Plan – Paradise Advertising

Ms. Danielle Ackerman, Paradise Advertising stated, this plan is for quarter three which is April, May and June. The goals, the creative, the strategy for this campaign, will continue as Paradise will do quarterly plans based on how the recovery market is moving. Utilizing a research driven approach in the design and implementation of each quarter striving for increased awareness and overnight visitation, additionally focusing on economic recovery for the local businesses. The overall budget for this quarter is just over \$233,000.00, media dollars were very frugal in the beginning of the year and since media was paused last year due to the pandemic, these funds include the rollover from last year. This quarter the VCB will have more of a media presence due to those funds that were rolled over. The target still remains Adults 29-45 with the overall geographic target Orlando, Tampa Bay, Jacksonville, Naples, Ft. Myers and into the Miami area, based on the last campaign this target market was successful, Paradise will continue to build onto that market moving forward. The Ocala/Marion destination has a lot of the things that consumers are currently looking for, being outside and able to have those

experiences in the safest possible way, that's the main message that will continue to be pushed out to consumers. The images from the CARES shoot will be used to incorporate into the upcoming campaign. Greg Reinhart will go over the highlights of the media plan and will highlight some of the newer details of the plan.

Mr. Greg Reinhart, Paradise Advertising stated, the media strategies that will continue to be built upon for the travelers that are looking to get out and go to new places. Equally important, to implement new partners as the agency targets new and repeat visitors. The target audience is still the eager traveler, those that are actively planning to travel, and the reluctant traveler who is a little more cautious in the planning of travel. The reluctant traveler will be served with more informational/inspirational type ads, along with email campaigns. The RV lifestyle enthusiasts are also on the destinations target marketing campaigns. Trip Advisor will be one of the destinations main partners, this will allow for the targeted marketing essentially wherever Trip Advisor is served, banner ads, destination pages and website will all be utilized to market Ocala/Marion County. Essentially American is another partner that will be utilized and they serve programmatic banner ads based on people who have visited Ocala/Marion or competitive locations in the 18 months based on previous in-market spending data. Pandora is another partner that does Pandora Video Everywhere, which video serves when a user interacts with their screen, which will allow the destination to have :15 second and :30 second videos. Continually innovating placements that allow Ocala/Marion to be top of mind using StackAdapt which is native static and video advertising focused on Adults 25-49, families and couples with interest in soft-adventure, travel, horse enthusiast, outdoor, RV owners/enthusiasts, biking, and motorcycle enthusiast. Division D has been a great partner utilizing 3 tiers of targeting: Mail Domain-display campaign targeting those signed up for the VCB and travel newsletters, keyword search targeting-display campaign targeting those actively searching for key words related to Ocala/Marion County, and retargeting those visiting the destinations website. For the RV enthusiast, ROVA will have a half page full color insert in the June/July issue of the Rova Magazine, which focuses on the RV travel and lifestyle. A great opportunity to showcase biking in Ocala/Marion County is with Bike Florida, which will feature the destination on the bike directory, on the newsletter and a highlight position on their website. Utilizing all of these opportunities will continue to grow Ocala/Marion's position in the tourism industry.

Mr. Bailey stated, that the biking angle is greatly appreciated and it takes visitors all across the county, and that adjusting the marketing plan quarter by quarter is a very smart move.

A motion was made by Traci Walker, seconded by Jeff Bailey, to approve the Paradise Advertising Q3 Media Plan as presented at the Tourist Development Council Meeting. The motion was unanimously approved by the board (5-0).

Presentation: Destination Signals Co-Op Program

Ms. Shaffer stated, that the VCB will be gearing up to launch the website sales which is more native advertising, less invasive ads which will allow the VCB to generate some revenue by creating opportunities for people that want to be on our website. This will allow the data to be quantified as well as giving thorough analytic reports.

Mr. Derek Mogar, Destination Signals stated, Destination Signals is a subdivision of Tempest who is the company that built the current Ocala/Marion website. Actively Destination Signals works with around 200 city and county organizations across North America helping local businesses connect with traffic coming through tourism websites across the country. They help local businesses leverage the native content opportunities and get in front of these people as they search the website. Last year the VCB website had over 800,000 page views, these are people who are looking and planning to be in the Ocala/Marion market, the audience is really travelers and locals. During the pandemic lots of locals came to the website looking for information on what was open, that trend is expected to continue with the locals continuing to use the website to find out what there is to do and see in the area. Last year's traffic to the website was also a 33% increase in the year over year which were amazing numbers for a pandemic year. This program allows for six different opportunities, peak ad, featured block ad, editorial ad, mashup ad, featured listing and sponsored blogs. For the peak ad, this will be placed at the top of the page, the very first thing that a visitor sees right below the hero image. This media kit will show the page in which the ad is placed then the monthly or annual rate in which the businesses can purchase the placements on the website. The pricing works by scaled analytics, the more heavily trafficked pages are going to cost more being a premium placement. Then the prices go down from there, run of site placement would mean that the advertisement will run across all the peak pages. For the featured block ad, this will roll across the top of the screen, these types of ads tend to get a lot of engagement and really capture people's attention almost immediately. The editorial ad, this had large image that will take up the width of the screen, this allows for the advertiser to talk about the attraction, the hotel whatever they happen to be listing, there is a lot of different options when it comes to the ad units. The mashup ad is a three location, big visual placement, however it will be a little lower on the page. Featured listings a type of "supped up" version of regular listings at the VCB website with a bigger image than the regular listings. The events page as one of the highest visitation rates on the website with a lot of traffic coming through. Sponsored blogs, not only is the content written by Destination Signals team in the voice of the partner, it's also an optimization tactic by getting really good content on the website that is specific to tourism and specific to what the people are looking for. Social media posts will drive traffic to the sponsored blogs, these blogs will live on the Ocala/Marion website for 12 months.

Mr. Mogar continued, Destination Signals will be striving to get anywhere from 12 – 18

sponsored blog posts. If the ads are underperforming, the ad trafficking team will go in and try to drive traffic to that particular ad, this will ensure that Ocala/Marion it's local partners and businesses are taken care of. To quantify this data, a report will be given every month, quarter and yearly upon request. These reports will show the number of impressions, the average click through rate, the total referrals or clicks and the average cost per click. This will be good to show what the investment cost versus what the return was on the investment, which can be broken down by placement and type.

Mr. Bailey stated, right now on the website, people can see the hotel listings just randomly placed, so with this program instead of having them randomly listed, someone buys an ad, and they would then be placed in a "better" spot on the website. Ms. Shaffer stated, the ad itself would be on an ad tile as shown during the presentation, which now the VCB is going to house these ads on the Ocala/Marion website, it gives higher visibility to those that purchase ads. Mr. Bailey clarified, that whoever buys in, will be shown at a better spot then the current listings. Ms. Shaffer continued, that this would be added value for those tourism partners for higher visibility on the key pages in those areas where the most traffic occurs.

Mr. Mogar stated, one of the highest traffic pages is the Ocala/Marion homepage, and you would not be able to feature every partner that's on the website, however native ad opportunities would allow featured visibility on the homepage. Sky Wheeler Manger, Tourist Development stated, this would be a revenue generated opportunity that will help the VCB recoup some of the revenue that was lost as a result of COVID-19. Mr. Bailey stated, that he understood the concept but that hotels, through the room tax, provide a great deal of the revenue already to the VCB and that getting funding for the VCB is important, but the hotels already put a lot of money into the VCB. Mr. Bailey continued, that he had not heard of this program or if it was discussed in any prior meetings that he did not recall it.

Ms. Shaffer stated, that the board has been talking about it and that this presentation was for the VCB to bring back the final plan. This concept had been discussed at the last three TDC meetings as a lot of destinations use this program to supplement their income. If the board doesn't believe that this is an avenue that the VCB needs to go down then the VCB would not pursue it. Out of all the co-op opportunities, the website is the one that the VCB has gotten the most requests for, the data itself can be quantified and allows for better visibility for the partners that would buy into the program.

Mr. Adams stated, the partners that choose to buy in to the program, their advertisement would be over and above the randomly alphabetical list of lodging facilities in the county, making it harder for the partners that don't buy into the program harder to find. Mr. Bailey stated, that was his main concern, that current partners who already pay the bed tax would not be visible and harder to find on the website. Ms.

Shaffer added, that the VCB was looking at this program to recoup costs and provides a service that the industry had recommended, as the print option for co-ops was not as valuable because the return could not be quantified, this particular program would have allowed the VCB to recoup funds and at the same time provide the data to show its value. Ms. Wheeler added, that this program is not an all or nothing program, it's extremely flexible if there are some areas where the VCB does not feel comfortable advertising, this program is completely specific to OcalaMarion.com and that if the board has specific feedback about the program the VCB can work with Destination Signals to refine and make those changes. Additionally, there is a good chance that some of the ad tiles wouldn't sell at all and that the sponsored blogs is the area where the VCB gets most of the requests from partners that aren't in the lodging business. The way the Ocala/Marion website is structured the menu will always be a pop out menu, and there will always be an opportunity to see everything that's on the website. The home page is just the first page that is visited and over on the right side is where the visitor clicks to open the menu, the program would not limit that type of interaction, if the board wished to change or modify the program then Destination Signals would be able to do that.

Mr. Bailey stated, that he understood that right now there are randomizers and that if a partner were to utilize the program and it got their listing higher than other partners may then they could potentially be at the top of the page all the time. Mr. Adams added, that he understood that placement could be bought just like any other media and that this program was like any other media that could be purchased, and that the people who will see the greatest value are the ones that made the greatest investment. Currently the partners that are listed on the website have a link that would take the visitor off of the Ocala/Marion website and send them to that partner's page. Ms. Wheeler added, with the way Ocala/Marion's website is currently structured every single lodging partner has a landing page on OcalaMarion.com that does link off to their website where bookings can occur. Ms. Shaffer stated, that feature is industry wide from lodging to activities.

Ms. Shaffer stated, that the VCB is in no hurry to start this program, so if the board would like to research and make any changes to the opportunity the VCB can bring the program back another month. Mr. Adams stated, that he would like to see a website that currently incorporates this particular program so that way the board could have a visual of how this would look on the Ocala/Marion website. Mr. Mogar added, that Bigbear.com is a destination that currently incorporates Destination Signals on their website and as the board does their research they could see how the advertisements look, along with the sponsored blog posts. That particular site shows the featured listing and then the randomized list of partners just below the featured listing. There could be exclusive advertisements offered, which would allow the partner to basically have their own "page", or multiple spots on one page. All different types of advertising spots, features, etc. could be put in place with the board's recommendation as to how the

design is done. Ms. Wheeler stated, that when the VCB first started looking at the program, that not including the hoteliers in the advertisement opportunities could potentially be an option, but since hoteliers are the ones that collect the tax leaving them out of the opportunity didn't seem appropriate. The VCB didn't feel like that opportunity should be taken off the table unless the board directed the VCB to do that. Mr. Adams added, that taking the option away from the hoteliers would not have his support and that while the hoteliers generate the tax, it's everybody in tourism like the Horse Park, the Canyons Zip Line, etc., that generates the tourist to come and stay in the hotels. Segregating who collects the tax versus those that generate the tax would not be a design that would benefit Ocala/Marion County.

Ms. Shaffer stated, that the VCB would like to table this discussion and schedule one on one's with each TDC member and Destination Signals that way a more fruitful conversation can occur once everybody has a clear understanding of what Destination Signals can offer. Mayor White stated, that everyone at the table gave good insight and that he felt putting advertisements on the website would make the randomized list less emphasized and probably not looked at as much as they are right now. His concern was that the advertisement program would skew the viewership to those that are advertising and the partners that didn't wouldn't get as many views. Ms. Wheeler stated, that as the board reviews Bigbear.com, that any changes that are recommended could be used in the way Ocala/Marion designs their site, if the board recommends going that route. Then again there would be no guarantee that any partner would be willing to pay to advertise as there are no guarantees in selling advertisements.

Mr. Bailey stated, it may be true that no partners are willing to pay to advertise, but that he is not willing to move forward with this program at this time until further conversations happen and he is certainly not ready to sign a yearly contract at this point. As Ocalamarion.com is right now, the Hilton gets the same placement as a campground with the listings being random, this gives every hotel a fair placement. With Destination Signals you could have a hotel paying more in bed tax than it cost to advertise and then that hotel would be less visible than a partner paying for the listing. Ms. Shaffer added, the last thing the VCB was trying to was have the perception that the listings were anyway unfair or unequitable. The VCB will work with Destination Signals and if the program doesn't fit with the boards view then the VCB would not move forward. This program was brought forth to try and recoup losses from COVID-19, the VCB would certainly be open to exploring other avenues. Ms. Shaffer continued, that she would be working on scheduling one on one's with each board member to go over the Destination Signals program and to explore other opportunities.

Mr. Bailey stated, that most things brought before this board are generally agreed upon 100%, so the fact that there can be a subject on occasion that the board wants to further review and have more in-depth conversations is healthy and good for the county. Ms.

Walker stated, that she was glad to hear everybody's take on this program and that there were a lot of good points made, both for and against Destination Signals. Ms. Shaffer stated, that no motion was needed to table Destination Signals and that she would be reaching out to the board for the one on one's.

TDT Collections/STR and Key Data Update

Ms. Sky Wheeler stated, the direction from last meeting to not go as far back in time on the collection reports. For the reporting period of February, which covered January revenues, collections totaled \$294,562.21, which was down \$5,096.82 or down 1.7% year over year. 18.21% of the collections were from late taxes and penalties.

Ms. Wheeler continued, for the month of February, occupancy was at 75.4% this year, which was down 4.2% year over year. ADR was \$94.76, which was down 10.1% from last year. RevPAR was at \$71.41, which was down 13.9% from last year. For the running 12 months, occupancy was down 15.9%, ADR was down 10.7% and RevPAR was down 25%. The next data is from Visit Florida as a whole for their February STR, for the month of February, occupancy for the state was at 58.8% (down 28.3%); ADR was at \$148.28 (down 19.7%) and RevPAR was \$87.16 (down 42.5%). The STR report does not have anything but the traditional lodging partners, there are no RV Parks, and nothing right now with WEC is showing up on the STR report. The supply has gone up as there have been a few hotels that have gone online, a Value Stay Hotel, Candlewood Suites by the interstate. In the next few months WEC should appear on the reports.

Ms. Wheeler continued with Key Data, ADR was at \$311, which was an increase of \$89 from last year. RevPAR was at \$227, which was an increase of \$74 from last year. Occupancy was at 78%, which was an increase of 9.87% from last year. For the running 12 months, occupancy was up 18.63%, ADR was down 6.49%; and RevPAR was up 11.11%. The VCB does receive some weekly STR data the most recent week came over and its numbers were great, for the week of March 14 through the 20th the occupancy in Ocala/Marion was almost 90%, the ADR was over \$120.00, and RevPAR was over \$110.00. Mr. Adams stated, that the VCB was only \$5,000.00 behind last year which was the beginning of the fall off and the VCB collections only being \$5,000.00 behind speaks volumes for the county.

Mr. Bailey added, that on the STR data page where supply is mentioned, the supply in Marion County has increased by 5%, so when occupancy has gone down 4.2%, that means the occupied rooms have still increased. The hoteliers may still be chasing the added supply and ADR has been where the issue has been and considering everything February was a solid month.

Sales Update

Mr. Locke stated, the first thing on the update is a past event, the Atlanta Cycling Club,

Spring Ride that they do every year in Ocala, the planner decided at the last minute to still hold the event here in Ocala/Marion which was good for the city and county. They are planning on coming to Ocala/Marion next year. The next three events are the Spartan Race events, and those should have an update at the April TDC meeting. There are two events from USA Weightlifting that the details are currently being worked out, they have some events that are open for next summer in 2022, and summertime is a good time to bring business to Ocala/Marion. The National Championship Week is expected to bring 2,000 room nights for the weeklong event, one of the proposed locations is the Expo Center at WEC. The North American Open Series is a shorter weightlifting event with an estimated room night total around 1,200. Mr. Locke continued, that he attended a conference in Gainesville, the Innovation Think Tank, and its part of a new group called the Sunshine Sports Council which will give the sports view alongside Visit Florida.

Mr. Bailey added, that the USA Weightlifting in 2022, WEC has the potential to fill the market and on one of those days listed for the event is also a UF football game which could potentially make it hard for people to find competitive rates. Mr. Locke stated, that looking at these dates and how it relates to events that are already scheduled will continue to be monitored as best as possible.

Mr. Adams then moved into TDC Attendance and advised the Council that they needed to make sure that they let staff know whether or not they plan to be in attendance for quorum purposes.

Old Business

Mr. Adams called for any old business that needed to be discussed and none was brought forth.

New Business

Mr. Adams called for new business. Ms. Traci Walker stated, that House Bill 1429 that this bill would be an expansion of the bed tax for flood control and it's already moving through the Legislator fairly quickly and that contacting the representatives for our area to stop the bill from going forward would be the best solution to avoid losing bed tax.

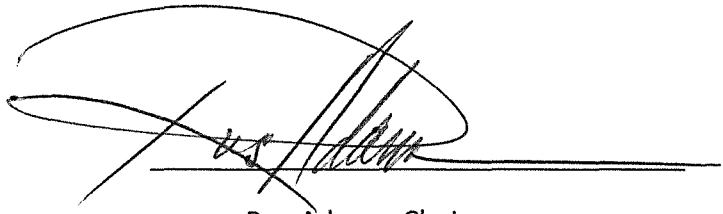
Mr. White asked for clarification, that for the attendance and verification that if everybody shows up for a meeting and then unexpectedly quorum isn't achieved would the meeting go forward. Mr. Adams stated, that would be up to the people in the room, but the council would not be able to vote on anything so no motions would be able to be made. The council could receive presentations and have discussions, but there would be no way to move anything forward without a motion. Ms. Shaffer added, that emergencies do happen, but she would try to notify the council as soon as possible.

Mr. White stated, that on the vote that when someone makes a motion and a second it's assumed that their vote is yes and they are not asked for a vote. Ms. Shaffer stated, that they are the first one, so whoever makes the motion and the second gets called first. Mr. White stated, that he did not recall everyone being asked. Mr. Adams stated, that the roll was done correctly. William Harris County Attorney stated, that it seemed like everything was fine with the way the meeting was called, but if there were specific incidents that may have occurred on previous occasions that he would not know about those and that the summarization that Mr. Adams gave sounded accurate. Ms. Wheeler stated, that the way the roll is called because of the audit the TDC can't just use I or Nay so a per person roll call is performed. Stacy just calls the order based on who makes the motion and the second. If it would be preferred to go in alphabetical order, and legal says that would be appropriate then we can do it that way.

Public Comment

Mr. Adams called for any public comment, none was brought forth.

Meeting adjourned at 11:30 AM



Rus Adams, Chairman