

Minutes

Tourist Development Tax Sports Incentive Committee (“SIC”) Meeting
September 24, 2018, 1:00 p.m., Orange County Commission Chambers

Call to Order

Kevin Shaughnessy called the meeting to order at 1:01 p.m.

Present: 7 – Tara Early, Lena Combs, Dan Giordano, Faron Kelley, Kevin Kennedy, Mark Politte,
Kevin Shaughnessy

Others Present:

Senior Assistant Orange County Attorney Lila McHenry

Visit Orlando COO/CFO Larry Henrichs

Visit Orlando Sr. Dir. of Market Research & Insights Daryl Cronk

Visit Orlando Assistant to the COO/CFO Rachel Scott

Pledge of Allegiance

Tara Early led the Pledge of Allegiance.

Public Comment

No one addressed the Committee with public comment.

Approve Minutes from July 23, 2018 SIC Meeting

Motion to approve made by Faron Kelley, seconded by Kevin Kennedy.

The approval of the July 23, 2018 SIC meeting minutes passed unanimously with all members present voting “AYE”.

Chairman Shaughnessy asked that Larry Henrichs give an update on a few items prior to starting presentations. Mr. Henrichs reminded the Committee that Orange County’s plan for the SIC funding was an initial \$5M plus additions of \$2M per year. He informed the Committee that second funding payment (the first \$2M amount) had been received by Visit Orlando. This payment was reflected in the summary report sent to the Committee last week.

Mr. Henrichs continued to say that Orange County provided input on two items on the agenda today. First, Visit Orlando has been authorized to pay \$200,000 to the Central Florida Sports Commission (CFSC) for operating expenses. Jason Siegel will provide an update on CFSC’s activities later in the meeting. This is only an informational presentation; no vote is needed. The second item was funding for the Pro Bowl. Steve Hogan will present the proposed request for this community event.

Mr. Henrichs then reviewed the list of presentations, noting that Daryl Cronk would provide additional information for each event after the individual presentations.

Review of Applications

AutoNation CureBowl

Alan Gooch, CEO & Executive Director, Orlando Sports Foundation, presented an overview of the AutoNation CureBowl. Mr. Gooch talked about the history, and noting that over \$3.55 million has been raised since the bowl game's inception. Mr. Gooch indicated the game matched teams from the SunBelt and American Conferences and discussed the TV coverage, attendance, ticket distribution to the schools, room nights, and estimated economic impact. Mr. Gooch requested funding of \$275,000 to expand marketing for the 2018 game, and to build up to the 2019 anniversary game.

The Committee asked about the CBS contract, partnership with Loews, and room night calculations. Mr. Gooch answered the questions to the Committee's satisfaction.

Daryl Cronk then presented an overview of the application submitted by the Orlando Sports Foundation. He noted that the game is an existing event (not incremental), and proceeds from the game are donated to the Breast Cancer Research Foundation which needed to be approached with caution as funding from the Sports Incentive Fund should not be construed as a charitable contribution. Mr. Cronk noted that broadcast and media value is relatively low and therefore the primary value of the game will be the room nights and economic impact generated by non-local attendees. He also pointed out that if the funding is considered a single year request, the event falls short of some "Signature Event" criteria per the county's guidelines, which is where the request was falling.

The Committee asked Mr. Gooch to step back to the podium to answer additional questions regarding funding request and needs. They also asked for clarification of whether this is a one year or two year request. The Committee expressed concerns that this event did not meet the "Signature" level event status.

Lena Combs disclosed that her partner is on the Board for the Orlando Sports Foundation. It was confirmed there would be no personal gain to Ms. Combs regarding this event.

Motion was made by Faron Kelley: Grant \$125,000 to be used on the 2018 game for out of market campaign. The motion died for lack of a second.

Motion was made by Tara Early, seconded by Mark Politte: Grant \$137,500 for 2018 and \$137,500 for 2019. The motion failed -- 3 Ayes (Tara Early, Mark Politte, Lena Combs), 4 Opposed (Dan Giordano, Faron Kelley, Kevin Shaughnessy, Kevin Kennedy).

After further discussion, a motion was made and amended by Kevin Kennedy, seconded by Faron Kelley: Recommendation that the granting of \$75,000 for 2018 and \$75,000 for 2019 to be used for out-of-market advertising for the AutoNation CureBowl be presented to the Orange County Board of County Commissioners for final approval. Motion passed unanimously with all members present voting “AYE”.

2019 NFL Pro Bowl

Prior to the presentation Faron Kelley said he would be abstaining from the vote due to Disney’s potential involvement in 2019 NFL Pro Bowl activities.

Steve Hogan, Chief Executive Officer, Florida Citrus Sports, presented an overview of the 2019 NFL Pro Bowl. Mr. Hogan pointed out this is a community event with a number of funding sources and discussed the attendance, the teams’ community outreach events, national broadcast on ESPN, and economic impact. His request was for \$1.5 million for 2019 game.

The Committee asked about the current NFL contract status. Mr. Hogan stated they are going into the 3rd year of three-year agreement, with an option to renew for two one-year terms.

Daryl Cronk presented an overview of the application submitted by the Florida Citrus Sports, noting that the game falls in a traditional need period. He pointed out the occupancy graph showed a spike up in the week hosted which included the positive impact from the previous two games. The NFL Pro Bowl is broadcast live nationally in primetime, which no other event that has come before the committee can claim. The game meets the required “Signature Event” criteria with the exception that estimated reported economic impact (game only) falls a little short of the \$50 million guideline; however, the additional weeklong events would comfortably qualifies for a “Signature” level event.

Further discussions ensued. Motion was then made by Dan Giordano, seconded by Kevin Kennedy: Recommendation that the requested \$1,500,000 funding for the 2019 NFL Pro Bowl be presented to the Orange County Board of County Commissioners for final approval. Motion passed unanimously with 6 members present voting “AYE”, and one abstaining.

Florida Blue Florida Classic

Steve Hogan, Chief Executive Officer, Florida Citrus Sports, presented an overview of the Florida Blue Florida Classic. He discussed the game’s history, the strong long-term partnership with the community, estimated economic impact, and expanded events such as the Battle of the Bands. Mr. Hogan reminded the committee the game week is a diverse, family event for the destination. He is currently trying to secure a four-year contract. He requested \$362,500 annually for games in 2018 through 2021.

The Committee asked about years secured and uses of the bid fee. There were also questions if this request was incremental funding on top of the previous \$137,500 commitment. Mr. Hogan confirmed that it would be a total \$500,000 and provided other suitable responses.

Daryl Cronk presented an overview of the application submitted by the Florida Sports Commission, noting this event occurs during a below average occupancy period. It is an existing event (not incremental). While the game is broadcasted live on ESPN Classic, the broadcast and social media exposure is limited in reach. Therefore, the primary value of the game is in the economic impact generated by out-of-town attendees. The performance of the event falls short of the guidelines for the “Signature Event” level.

Motion by Faron Kelley, seconded by Dan Giordano: Accept request as it was made. Further discussion took place among the Committee members. The size of the request was discussed further, and the level of funding was justified noting the value of long-term relationship and commitment to the destination, and that if we lost the event we would be willing to pay the requested amount to get it back. It was further suggested by Chairman Shaughnessy that this funding level should be contingent upon signing a four-year contract for the event and a post-event report providing the return on investment. The amendment to the previous motion was accepted by Mr. Kelley and Mr. Giordano, and was made as follows: Recommendation that the funding as requested for the Florida Blue Florida Classic, contingent upon signing a four-year contract and providing post event report, be presented to the Orange County Board of County Commissioners for final approval. Amended motion passed unanimously with all members present voting “AYE”.

2019 Florida Cup

Jason Seigel, President, Central Florida Sports Commission, presented an overview of the 2019 Florida Cup. Mr. Seigel started by mentioning all the soccer events held in Orlando since the 1994 FIFA World Cup, and noted that the quality of the teams in this event further supports the destination’s growth in stature in the soccer world helping obtain additional events. He also discussed room nights and other metrics on the event, including the significant international broadcast coverage. Request was for \$137,500 for 2019.

The Committee asked questions regarding use of funds, profits, broadcasts, and visitor origin. Ricardo Villar, CEO, Florida Cup took the podium to answer questions.

Daryl Cronk presented an overview of the application submitted by the Florida Sports Commission, noting this event occurs during a below average occupancy period, was an existing event (not incremental). The event is relatively small in driving visitation but does meet the guidelines for the requested funding level, but has significant international broadcast and social media exposure.

Further discussions ensued, and the Committee emphasized the marketing of the event should focus on “Orlando.” Motion was then made by Tara Early, seconded by Kevin Kennedy: Recommendation that the funding as requested for the 2019 Florida Cup be presented to the Orange County Board of County Commissioners for final approval. Motion passed unanimously with all members present voting “AYE”.

Central Florida Sports Commission Funding

Jason Seigel, President, Central Florida Sports Commission, presented an update on Central Florida Sports Commission's efforts, a recap of SIC requests, accomplishments for the last 18 months, upcoming events.

Chairman Shaughnessy thanked Mr. Seigel and his team for the work that they do. Dan Giordano also congratulated them on the MLS All-Star game.

Next Meeting Reminder

Chairman Shaughnessy stated the next meeting will be held on October 22, 2018. He asked if applications were expected to be submitted. Larry Henrichs replied none are expected at this point. If no applications are received by Monday, October 1, 2018, the October 22, 2018 meeting will be cancelled.

Adjournment: 2:56 p.m.

ATTEST:



Chairman Kevin Shaughnessy

Date: 2/11/19