

CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY



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Bill Type and Number: Ordinance 2020-356

Introducer/Sponsor(s): Council President at the request of the Tourist Development Council

Date of Introduction: June 23, 2020

Committee(s) of Reference: NCSPHS, F, R

Date of Analysis: June 25, 2020

Type of Action: Ordinance Code amendments; repeal of previous ordinances

Bill Summary: The bill amends Ordinance Code Chapter 70 – Duval County Tourist Development Council – to simplify the language providing that the City Council Vice President shall be an *ex officio* member of the TDC and to provide that the third City Council member of the TDC board (in addition to the President and Vice President) shall preferably be, but is not required to be, a former Council President. Other Chapter 70 amendments provide that the Tourist Development Council Grant Guidelines are not required to be approved by the City Council and that use by the TDC of its Contingency Fund will no longer require City Council approval. Language requiring the TDC to approve procurement awards and contracts in the same manner as required of the independent authorities by Sec. 126.303 of the Procurement Code is deleted.

The bill amends Chapter 111 – Special Revenue and Trust Accounts – to provide that requisitions for disbursements from the Tourist Development Tax Special Revenue Fund may be made by the TDC Executive Director in addition to the TDC Chair and that such requisitions are not required to be made in writing. Language referencing automatic transfer of year-end TDC fund balances to the Development Account is deleted, as is language requiring City Council approval for use of funds from the TDC Contingency Account.

The bill amends Chapter 666 – Duval County Tourist Development Plan – to delete the provision that 2% of the 3% of bed tax revenues allocable to administrative costs shall be allocated to the TDC; the remaining 1% allocated to the Tax Collector remains unchanged. An amendment changes the name of a Tourist Development plan component from “Tourist Bureau” to “Destination Services”. Language regarding specific locations and hours of operation for visitor information centers is deleted, as is aspirational language regarding signage on interstate highways and unstaffed tourist information kiosks. Language is added providing that the TDC may determine what types of tourist information is required to be assembled and offered by the visitor bureau contractor, and that the TDC will inform the contractor annually about what geographic market(s) should be targeted for marketing. Reference is added to the tourism marketing contractor assisting in the attraction and retention of direct flight airline service. Language clarifying the prohibition against businesses or events receiving preferential attention in tourism promotional materials as a result of monetary or in-kind considerations is added.

An amendment permits the required visitor magazine to be in either hard copy or electronic format. The requirement that the TDC’s tourism marketing entity use marketing grants as a part of its strategy is removed. The language regarding the prohibition against the convention marketing agency recommending or influencing the selection of accommodations by convention groups as a result of monetary or in-kind inducements is revised. An amendment provides that the guidelines for convention grants developed by the TDC will no longer require City Council approval. An amendment removes the prohibition against the strategic planning for the improvement of the City’s tourist attractions considering accommodations or dining establishments. Language is added providing that the TDC can adopt grant guidelines for special event grants and can establish uses for the TDC’s Contingency Account and Jacksonville Equestrian Center promotional grants without further City Council approval.

The required minimum and maximum funding allocations for the various Tourist Plan components are changed from specific dollar amounts to minimum percentages of the TDC budget. Language regarding a limitation on the maximum amount that can be spent on convention promotion because of the limitations of the current Prime Osborn Convention Center is deleted. The requirement that unspent and unencumbered TDC funds at the end of the year shall be deposited into the Development Account is deleted; those unspent funds are instead directed to the Contingency Account. Use of the Contingency Account will not require City Council approval. An amendment provides that any unspent balance in the Convention Grants Account and Equestrian Center Grants Account at the end of the fiscal year shall carry over to the next fiscal year.

The bill repeals previous Ordinances 2018-472-E and 2019-0152-E (Tourist Development Council Grant Guidelines).

Background Information: The TDC board has been considering process improvement changes and other revisions to its Ordinance Code authorizations to provide the TDC with more flexibility in addressing its powers and duties and in dealing with its prime contractor, Visit Jacksonville Inc. Several very specific provisions (i.e. minimum and maximum dollar amounts that must be allocated to various tourist plan functions, specific locations and hours of operation of visitor information centers, specific formats for presentation of tourist information, etc.) are made more general to allow for operations to change as circumstances may dictate. The TDC also proposes that it be authorized to spend funds from its Contingency Account without the need for City Council ratification of that action.

Policy Impact Area: Tourist Development Council operations

Fiscal Impact: The bill changes specific minimum and maximum dollar amount allocations to various TDC plan components to minimum percentage allocations of the TDC's annual budget and changes the provision that any remaining unspent and unencumbered funds at the end of a fiscal year must be deposited into the TDC's Development Account to the Contingency Account instead.

Analyst: Clements