

Hillsborough County Tourist Development Council

Quarterly Meeting

March 30, 2023

10:30 a.m.

Hybrid Meeting



SM

**Hillsborough
County Florida**



**Hillsborough
County Florida**

ASSISTANT COUNTY ADMINISTRATOR

Ron Barton

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**BOARD OF COUNTY
COMMISSIONERS**

Donna Cameron Cepeda
Harry Cohen
Ken Hagan
Pat Kemp

Gwendolyn "Gwen" Myers
Michael Owen
Joshua Wostal

COUNTY ADMINISTRATOR

Bonnie M. Wise

COUNTY ATTORNEY

Christine M. Beck

COUNTY INTERNAL AUDITOR

Peggy Caskey

**HILLSBOROUGH COUNTY TOURIST
DEVELOPMENT COUNCIL
Quarterly Meeting
County Center, 601 E. Kennedy Blvd.
Thursday, March 30, 2023, 10:30 AM**

AGENDA

I. CALL TO ORDER
Chair Ken Hagan

II. ROLL CALL

III. REVIEW OF MEETING MINUTES AND APPROVAL OF PAST MINUTES
• December 08, 2022

IV. PUBLIC COMMENT

V. ADMINISTRATIVE REPORT
Ronald D. Barton, Assistant County Administrator for Economic Prosperity
• Quarterly Financial Report
• Discussion Regarding FY24-FY25 TDT Budget
• Growth Assumptions to Discuss
• FY24 3%
• FY25 6%
• Additional Tourism Partners/Programs to Consider
• (Attached in content)

VI. TAMPA BAY CONVENTION AND VISITORS' BUREAU (TAMPA BAY CVB)
Santiago Corrada, President/CEO, Tampa Bay CVB
• Quarterly Activity Report

VII. GENERAL DISCUSSION

VIII. ADJOURNMENT

Meeting Minutes

**HILLSBOROUGH COUNTY TOURIST
DEVELOPMENT COUNCIL December 8, 2022**

The Hillsborough County Tourist Development Council (TDC) met in a Quarterly Meeting on Thursday December 8, 2022, and Commissioner Ken Hagan opened the meeting at 10:30am. The meeting was a hybrid meeting with both in-person and virtual attendance.

The following council members participated in person:

Jeffrey Antonaccio	Aimbridge Hospitality
Joe Collier	Mainsail Lodging & Development
Andrea Gonzmart-Williams	Tourist Industry Representative Columbia Restaurant
Commissioner Ken Hagan	Board of County Commissioner, Chair
Bob Morrison	Tampa Hotel/Motel Association
Commissioner Nate Kilton	City of Plant City
Mayor Andrew Ross	City of Temple Terrace

The following council member participated virtually:

James Bartholomay	Renaissance Tampa Hotel International
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The following council members were absent:

Mayor Jane Castor	City of Tampa
Troy Manthey	Yacht Starship
Lou Plasencia	The Plasencia Group

The following staff members participated in person:

Ronald Barton	Assistant County Administrator for Economic Prosperity
Jane Fagan	Senior Assistant County Attorney
June Metcalf	Senior Coordinator Tourism Industry Analysis
Claudette Lam	Senior Administrative Assistant
Matthew Stewart	Senior Coordinator Industry Analysis

The meeting was called to order by Commissioner Hagan and the prior meeting minutes (Aug 2020 -May 2022) along with the current third quarter minutes were asked to be approved.

Mayor Ross moved to approve the minutes and Mr. Morrison seconded the motion. Commissioner Hagan asked for any comments, there were none, motion carried unanimously.

Commissioner Hagan requested Mr. Barton take Roll Call.

Commissioner Hagan asked if there were any public comments, there was one comment from Ms. Andrea Brown a citizen, who had a public comment that was made virtually in reference to taking a portion of the Tourist Development Tax for transportation and giving it to Hart to support transit. Funds can be used to help with local matches or to even re-establish a cut bus line.

Commissioner Hagan referenced that the board was aware of a shortage of transportation funding and the need for multimodal transportation options. Ms. Brown was thanked for her comments.

Commissioner Hagan requested Ron Barton present the administrative report. Mr. Barton indicated that the report was for the 4th quarter of the year and the closing of fiscal year 2022. The top line of the report focused on when the budget figures were set during COVID and it was emphasized that

there were some surprises during this time, but they in fact reflected positive outcomes. It was stated that almost \$27.5 million was collected in revenue against the budgeted \$18.5 million, a conservative budget was a purposeful action on behalf of the County as COVID impacts were still unclear.

In regard to the expenses, it was mentioned previously about Plant City's carry forward request of \$500,000 that they will be matching toward their sports complex. Supply chain issues and getting the project under contract have been a struggle, but the contract allows for these things, and it is not required to be amended by the board.

In respect of the 6-cent revenue collection, it shows a year-end amount of \$9.2 million which is over the budgeted amount of \$6.1 million. The Convention Center and support for VTB are fully paid. Mr. Barton also recapped on the Cultural and Capital Infrastructure program, where several Cultural facilities had made applications and were to match TDT funds 1:1 and funded on a reimbursement basis only.

Ron Barton reported that the collections for the TDT for the 3-cent and 6-cent are well in excess of the set budgeted numbers as displayed in the tables that were included in the package. The one thru six cents have totaled to \$58 million, a significant increase to previous year end periods. It was at this point Mr. Barton concluded his presentation and addressed the chair for any questions or comments.

Mr. Collier had a question for Mr. Barton in regards to the additional funds that have been collected in excess of the budget. Are these excess funds used to reduce the principal obligation? Mr. Barton explained that the 4 and 5 cents are dedicated to the sports facilities, of which the 4 cent is for Raymond James Stadium as well as the Yankees Spring training facility and the 5 cent is allocated to Amelie Arena, each with different debt obligations. Barton replied that the additional collected funds over the budgeted amount are likely being held in a reserve account, but a more accurate answer provided by the Budget Office can be presented at the next meeting. Commissioner Hagan agreed with the response.

Commissioner Hagan asked for any further questions or comments, of which there were none, hence Commissioner Hagan asked for a motion to receive the report, Mr. Morrison made the motion and it was second by Mr. Collier. There were no other comments, all were in favor, and the motion was carried unanimously.

Commissioner Hagan introduced Santiago Corrada to give his final report for the FY22 year. The VTB presentation is extensive and is a matter of public record as well as a live feed of the presentation.

Commissioner Hagan commended the presentation and asked the board if anyone had questions or comments on the quarterly activity report.

Mr. Morrison made a comment about the pain and struggle of counterparts from 2019 to now. Visit Tampa Bay was complimented on their aggressiveness to reach great heights in their numbers through all the Pandemic adversity.

Commissioner Hagan echoed Mr. Morrison's comments about VTB and its leader and team. The board was asked if there were any other comments.

Jeff Antonaccio commented by complimenting Mr. Corrada and his team for their hard work and ability to succeed in getting visitors to stay in the hotels as he was struggling to accomplish similar positive impacts with his properties in other major markets.

Mayor Ross proceeded to also commend the work that Mr. Corrada and his team have done, and he then asked the question about TDC relationship with what is happening at the Gulf Beaches and Pinellas.

- How or what is the relationship with our numbers compared to theirs
- What is the collaboration that goes on for people that come into TIA and then go over to the beaches.

Mr. Corrada commented that Steve Hayes is now the lead person for Visit St. Pete Clearwater and VTB has a good relationship with them. Pinellas has strong revenue numbers because they have more inventory than Tampa, with 40,000 + rooms compared to our 26,000+ rooms. A lot of marketing in TIA airport is noticeably conducted by St. Pete Clearwater, but we do collaborate aggressively on airline incentives when an airline shows interest in flying from Tampa. Phone calls are traded to match investment amounts between St. Pete Clearwater and Visit Tampa Bay. Numerous things are done cooperatively with Visit Florida, the beaches and VTB that makes our relationships very strong.

Joe Collier then posed a question regarding the progress of the work at the Convention Center. Is it finishing, is it on time? Mr. Corrada advised the board that it is on time, it looks great and that the expansion is small, but there are future expansion opportunities. Wherever the expansion takes place more room inventory will be needed, summer is the anticipated completion.

Commissioner Hagan asked if there were any more comments or questions? A motion was put forward to accept the report. Motion by Ms. Gonzmart-Williams and second by Mr. Antonaccio. Motion was approved unanimously.

At this point Mr. Corrada began to explain about his request for additional funding and the issues it would be addressing.

- Competitors have lost revenue due to not bouncing back after the pandemic, entities are doubling and tripling budgets in preparation to invest in marketing, incentivizing and concession.
- The rising costs of doing business is hitting everyone.
- This year is going to be a heavy political season, individuals running for office or elected officials will be buying up airtime which will leave a lot of premium airtimes to be purchased at a costly rate.

Commissioner Hagan asked Mr. Barton if he wanted to make any comments on the proposal. Mr. Barton explained that the funds were purposely budgeted conservatively and because a formula drives off the revenue projection this resulted in the approved Visit Tampa Bay budget. Budgeting closer to reality would have given them an extra \$5 million, consistent with their request for additional supplemental funding.
Staff support giving the requested additional funds.

Commissioner Hagan asked if there was any comments or questions?
Mayor Ross commented stating that he supported giving the additional funding, he recognized the tremendous impact on the region, and what the competition are planning to do to move up in the market, he stated this was an easy decision in his opinion.

Commissioner Hagan recognized a comment from Mr. Collier who stated that he recognized the

importance of advertising, he stated that we should put additional funding into the concession tank for the unknown groups that might come in the future, at least there would be moneys available. Mr. Collier proposed that half a million be taken and put into concessions.

Commissioner Hagan recognized a comment from Mr. Morrison, the question was posed as to what is the secret sauce for the numbers in terms of convention and group business growth for VTB. Your team focuses on retention of existing business, staying with loyal partners and contributors to our marketplace. Business here is like a cake with many layers' conventions, meetings, events, sports, leisure travelers and the port, if one of these layers is missing there is a problem. The entire community including Temple Terrace, Plant City, City of Tampa, and unincorporated Hillsborough County are all part of the mix that makes us successful.

Commissioner Hagan asked if there were any other comments? There were no other comments and a motion was requested.

Mayor Ross motioned to approve the funding request and Mr. Collier seconded it. There were no other comments the motion carried unanimously.

Commissioner Hagan asked Mr. Barton about a special recognition for Jim Bartholomay for 13 years as a member, he was thanked and recognized with a plaque that will be presented in-person at the next meeting. Members of the board were asked if they wished to make any comments.

Mr. Morrison and Mr. Collier gave well wishes supported by Commissioner Hagan, and Mr. Bartholomay acknowledged everything with much appreciation.

Commissioner Hagan asked Mr. Barton if he had any other comments and anything else from the board? All presenters and board members were thanked for their time.

There was no further discussion, and the meeting was adjourned at 11:34 a.m.

The next Quarterly Meeting was scheduled for Thursday February 9, 2023, at 10:30 am.

NOTE: Subsequent to this meeting, the next meeting was rescheduled for March 30, 2023, at 10:30am

Quarterly Financial Report

**Hillsborough County, Florida
Tourist Development - 3 Percent Portion
Operating Statement, 1st Quarter FY 2023**

GL Account Description	Annual Budget Amount	Quarter Transaction Oct- Dec	Year-to-Date Transaction Amounts
Revenues			
Local Option Tourist Development Tax	26,164,029	7,206,089	7,206,089
Interest Earnings	66,200	39,338	39,338
Interfund Transfer	0	0	0
Less 5% Required By Law	(1,312,586)	(360,304)	(360,304)
Total Revenues	\$ 24,917,643	\$ 6,885,123	\$ 6,885,123
Expenditures			
Commissions on Tax Collections	206,730	54,046	54,046
Tourist Development Administration	890,209	300,576	300,576
Subtotal (Expenditures)	\$ 1,096,939	\$ 354,622	\$ 354,622
Approved Award Expenses			
Tampa Bay Sports Commission	1,354,000	338,500	338,500
Tampa Bay CVB - Tourism Funding	15,501,000	3,868,998	3,868,998
Tampa Bay CVB - Out of Area Marketing	1,945,000	486,249	486,249
Tampa Bay CVB- Visitor Experience	145,000	36,249	36,249
Tampa Bay Sports Authority Soccer Complex	350,000	350,000	350,000
Plant City Sports Complex - Ellis-Methvin	500,000	0	0
Subtotal (Approved Awards)	\$ 19,795,000	\$ 5,079,996	\$ 5,079,996
Total Expenditures	\$ 20,891,939	\$ 5,434,618	\$ 5,434,618

On January 19, 2023, the BOCC approved an additional \$5,515,000 to be added to VTB base tourism contract. This additional funding will be depicted in the 2nd quarter financials.

Note: Local Option Tourist Development Tax revenues, as reported by Tax Collector, FY 23

**Hillsborough County, Florida
Tourist Development - 6 Percent Portion
Operating Statement, 1st Quarter FY 2023**

GL Account Description	Annual Budget Amount	Quarter Transaction Oct-Dec	Year-to-Date Transaction Amounts
Revenues			
Local Option Tourist Development Tax	8,721,343	2,402,030	2,402,030
Interest Earnings	29,400	18,394	18,394
Interfund Transfer	0	0	0
Less 5% Required By Law	(437,537)	0	0
TOTAL REVENUES	8,313,206	2,420,424	2,420,424
Expenditures			
Commissions on Tax Collections	68,910	18,015	18,015
Subtotal (Expenditures)	68,910	18,015	18,015
Approved Award Expenses			
Distrib for Tpa Conv Ctr Capital	2,000,000	2,000,000	2,000,000
Tampa Bay CVB - Tourism Funding	1,998,080	499,518	499,518
Cultural and Attraction Based Capital & Infastructure**	2,662,186	1,765,216	1,765,216
Subtotal (Approved Awards)	\$ 6,660,266	\$ 4,264,734	\$ 4,264,734
TOTAL EXPENDITURES	\$ 6,729,176	\$ 4,282,749	\$ 4,282,749

**** Cultural and Attraction Based Capital & Infastructure FY23 agreements and encumbered funds in the total amount of \$1,765,216**

Note: Local Option Tourist Development Tax revenues, as reported by Tax Collector, FY 23

Hillsborough County, Florida
Tourist Development Tax - Total 1-3 %
Fiscal Year 2014 to Fiscal Year 2023

Month Collected ^①	Annual % Change	CONTRACT PERIOD 2023 and 2022		CONTRACT PERIOD 2021 and 2020		CONTRACT PERIOD 2019 and 2018		CONTRACT PERIOD 2017 and 2016		CONTRACT PERIOD 2015 and 2014	
		FY23	FY22	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14
October	15.18%	\$1,867,035	\$1,620,990	\$858,542	\$1,380,267	\$1,324,000	\$1,420,547	\$1,092,698	\$1,089,741	\$962,704	\$894,670
November	46.18%	\$2,880,145	\$1,970,291	\$865,396	\$1,585,738	\$1,597,361	\$1,639,741	\$1,499,760	\$1,386,719	\$1,158,815	\$909,653
December	30.00%	\$2,458,909	\$1,891,477	\$922,108	\$1,509,057	\$1,424,359	\$1,417,997	\$1,251,306	\$1,182,564	\$1,018,849	\$937,047
January	15.17%	\$2,588,618	\$2,247,742	\$901,235	\$1,692,404	\$1,589,655	\$1,617,099	\$1,191,152	\$1,212,360	\$1,136,231	\$960,196
February	26.84%	\$3,189,041	\$2,514,287	\$1,385,226	\$2,185,101	\$1,944,865	\$1,887,332	\$1,888,227	\$1,630,883	\$1,491,902	\$1,282,819
March			\$3,011,605	\$1,971,417	\$2,452,856	\$2,288,851	\$2,058,161	\$2,039,437	\$2,001,076	\$1,688,646	\$1,517,179
April			\$3,502,046	\$1,937,878	\$1,236,532	\$2,587,457	\$2,449,471	\$2,155,263	\$2,145,858	\$2,059,107	\$1,845,069
May			\$3,035,639	\$2,000,702	\$373,228	\$1,967,134	\$1,858,492	\$1,684,105	\$1,751,931	\$1,647,829	\$1,430,224
June			\$2,690,554	\$1,918,384	\$442,474	\$1,731,952	\$1,686,334	\$1,449,140	\$1,410,235	\$1,434,818	\$1,097,432
July			\$2,301,298	\$1,996,054	\$783,074	\$1,498,466	\$1,451,482	\$1,346,784	\$1,383,313	\$1,239,576	\$859,729
August			\$2,072,361	\$2,070,796	\$779,920	\$1,566,234	\$1,412,335	\$1,445,086	\$1,345,759	\$1,186,917	\$1,402,468
September			\$2,063,559	\$1,658,960	\$789,629	\$1,438,901	\$1,375,216	\$1,282,121	\$1,223,312	\$1,068,791	\$1,112,226
TOTAL / YTD	26.74%	\$12,983,748	\$28,921,847	\$18,486,698	\$15,210,279	\$20,959,236	\$20,274,206	\$18,325,079	\$17,763,751	\$16,094,186	\$14,248,711

① Month collected by Tax Collector is for previous month industry activity.

Note: Local Option Tourist Development Tax revenues, as reported by Tax Collector.

September 2019 represents first month of TDT assessment of 6%, all other previous collections represent 5%

Hillsborough County, Florida						
Tourist Development Tax - 6th Cent						
Fiscal Year 2020 to Fiscal Year 2023						
			CONTRACT PERIOD 2023 and 2022		CONTRACT PERIOD 2021 and 2020	
Month Collected ^①	Annual	% Change	FY23	FY22	FY21	FY20
October		15.18%	\$622,345	\$540,330	\$286,181	\$460,089
November		46.18%	\$960,048	\$656,764	\$288,465	\$528,579
December		30.00%	\$819,636	\$630,492	\$307,369	\$503,019
January		15.17%	\$862,873	\$749,247	\$300,412	\$564,135
February		26.84%	\$1,063,014	\$838,096	\$461,742	\$728,367
March				\$1,003,868	\$657,139	\$817,619
April				\$1,167,349	\$645,959	\$412,177
May				\$1,011,880	\$666,901	\$124,409
June				\$896,851	\$639,461	\$147,491
July				\$767,099	\$665,351	\$261,025
August				\$690,787	\$690,265	\$259,973
September				\$687,853	\$552,987	\$263,210
TOTAL / YTD		26.74%	\$4,327,916	\$9,640,616	\$6,162,233	\$5,070,093

①Month collected by Tax Collector is for previous month industry activity.

Note: Local Option Tourist Development Tax revenues, as reported by Tax Collector.

Hillsborough County, Florida
Tourist Development Tax Collected (Total 1-6 %)
Fiscal Year 2014 to Fiscal Year 2023

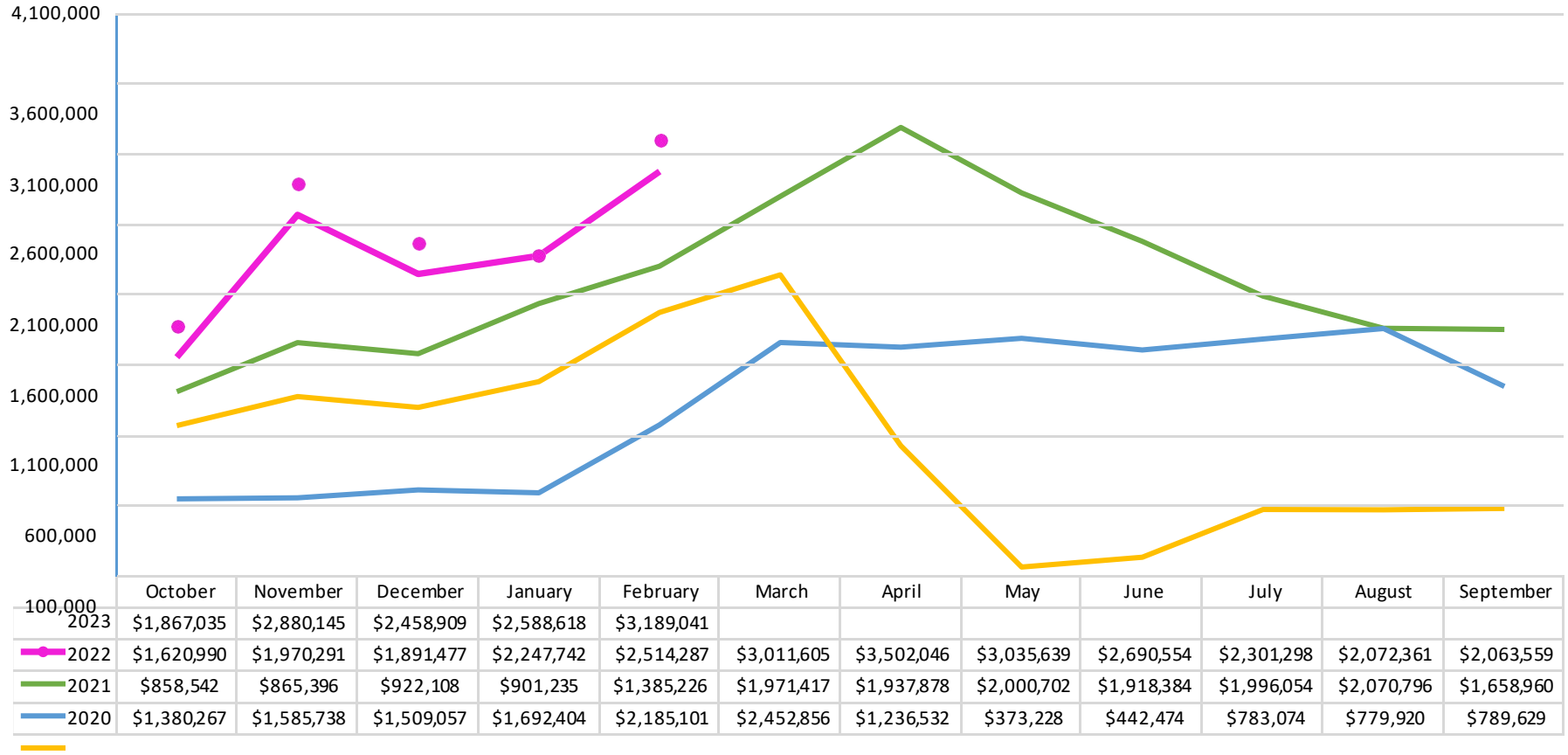
Month Collected ^①	Annual % Change	CONTRACT PERIOD 2023 and 2022		CONTRACT PERIOD 2021 and 2020		CONTRACT PERIOD 2019 and 2018		CONTRACT PERIOD 2017 and 2016		CONTRACT PERIOD 2015 and 2014	
		FY23	FY22	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14
October	15.18%	\$3,734,069	\$3,241,979	\$1,717,083	\$2,760,533	\$2,206,667	\$2,367,578	\$1,821,163	\$1,816,235	\$1,604,506	\$1,491,117
November	46.18%	\$5,760,290	\$3,940,581	\$1,730,792	\$3,171,475	\$2,662,269	\$2,732,901	\$2,499,600	\$2,311,198	\$1,931,359	\$1,516,088
December	30.00%	\$4,917,819	\$3,782,953	\$1,844,216	\$3,018,113	\$2,373,932	\$2,363,329	\$2,085,510	\$1,970,940	\$1,698,082	\$1,561,745
January	15.17%	\$5,177,236	\$4,495,484	\$1,802,470	\$3,384,809	\$2,649,425	\$2,695,165	\$1,985,254	\$2,020,600	\$1,893,719	\$1,600,327
February	26.84%	\$6,378,083	\$5,028,574	\$2,770,452	\$4,370,203	\$3,241,441	\$3,145,553	\$3,147,045	\$2,718,139	\$2,486,504	\$2,138,031
March		\$0	\$6,023,211	\$3,942,835	\$4,905,712	\$3,814,751	\$3,430,269	\$3,399,062	\$3,335,126	\$2,814,410	\$2,528,631
April		\$0	\$7,004,093	\$3,875,757	\$2,473,063	\$4,312,429	\$4,082,452	\$3,592,105	\$3,576,430	\$3,431,845	\$3,075,115
May		\$0	\$6,071,277	\$4,001,405	\$746,457	\$3,278,557	\$3,097,486	\$2,806,841	\$2,919,885	\$2,746,382	\$2,383,707
June		\$0	\$5,381,108	\$3,836,767	\$884,948	\$2,886,586	\$2,810,556	\$2,415,234	\$2,350,392	\$2,391,363	\$1,829,054
July		\$0	\$4,602,595	\$3,992,108	\$1,566,148	\$2,497,444	\$2,419,136	\$2,244,640	\$2,305,521	\$2,065,960	\$1,432,881
August		\$0	\$4,144,722	\$4,141,591	\$1,559,839	\$2,610,391	\$2,353,892	\$2,408,477	\$2,242,931	\$1,978,195	\$2,337,446
September		\$0	\$4,127,117	\$3,317,919	\$1,579,257	\$2,877,802	\$2,292,027	\$2,136,868	\$2,038,854	\$1,781,319	\$1,853,710
TOTAL / YTD	26.74%	\$25,967,496	\$57,843,695	\$36,973,396	\$30,420,558	\$35,411,694	\$33,790,344	\$30,541,799	\$29,606,251	\$26,823,644	\$23,747,852

① Month collected by Tax Collector is for previous month industry activity.

Note: Local Option Tourist Development Tax revenues, as reported by Tax Collector.

September 2019 represents first month of TDT assessment of 6%, all other previous collections represent 5%

Monthly 3 Cent TDT Collections, FY 2020-2023





Travel & Tourism | United States

Will the travel industry prevail through a potential global recession?

Economists

Adam Sacks
President

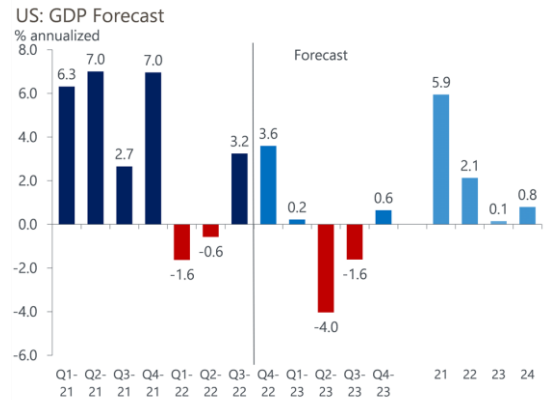
Executive Summary

- **Our baseline economic outlook now assumes a mild US recession beginning in the second quarter of 2023.** Despite recent moderation, core inflation remains stubbornly persistent and broad-based across goods & services. The Federal Reserve has indicated it will continue to raise interest rates until inflation is brought down. The Oxford Economics baseline 2023 GDP forecast now sits at 0.1% for the year, while our growth expectations for 2024 stand at a modest 0.8%.
- **Softening labor markets and a weaker economic environment will slow consumer spending.** Some early signs of trouble are evident in recent weakening in retail sales, increases in consumer debt, and a housing market reeling from high borrowing costs. This will slow growth in travel, especially in 2023 as the US economy goes into reverse in the second quarter of 2023.
- **However, recessionary impacts on leisure travel will be modest compared to past economic downturns.** Consumers are well-positioned to weather a downturn. Household finances and steady job creation will continue to support leisure travel. Pent-up demand and a continued prioritization of travel will endure into 2023, especially for higher income households who travel more frequently. However, inflation's regressive impact will increasingly bite into household finances for lower income households who spend a greater portion of their income on essential goods and services.
- **A mild recession in 2023 will slow but not reverse the trend of the business travel recovery cycle.** Corporations are still in the process of rebuilding business travel activity to more normal levels. Additional pent-up demand remains for conventions and trade shows as well as other meeting types.
- **Global weakness and a strong US dollar could slow the recovery of inbound international travel.** The economic outlook has been downgraded across many major international feeder markets and a strong dollar is further adding to the cost of international travel to the US. Meanwhile, US outbound travel is recovering more quickly, resulting in a slight pullback in domestic travel.

Mild US Recession in 2023

Stubborn inflation, a forceful response by the Fed, and global economic weakness will push the US economy into recession in the middle of 2023.

The combination of persistently high inflation, aggressive Fed monetary policy tightening, negative spill-over effects from slower global activity, and weaker corporate earnings will weigh on consumers' and businesses' willingness to spend and likely push the economy into a mild recession. We anticipate a peak-to-trough decline in GDP of around 1%, beginning in 2023Q2, and roughly a 1ppt increase in the unemployment rate.



We expect the recession to be mild because there are no glaring imbalances in the economy's balance sheet. Currently, household balance sheets in aggregate are in great shape, nonfinancial corporate balance sheets are also healthy, and state and local governments are flush with cash. In addition, the labor market and job openings indicate the impact of a recession on unemployment and income would be relatively modest.

This weakening economic environment would typically imply a significant downturn in travel. Tourism Economics research has determined that travel demand is highly elastic to economic activity. For example, hotel room demand in the US has fallen by 4.1% for every 1% drop in GDP during the three recessions before 2020. The mild recession of 1991, which is in the range of our expectations for 2023, would imply a 6% fall in hotel revenue.

However, evidence is building that travel activity will be more resilient amidst an incoming economic downturn and, in fact, may continue to

grow. This idea was picked up by Delta CEO Ed Bastian during the carrier's third quarter-earnings call: "While we are mindful of macroeconomic headwinds, the travel industry is

experiencing a countercyclical recovery. Global demand is continuing

to ramp as consumers shift spend to experiences, businesses return to travel, and international markets continue to reopen."

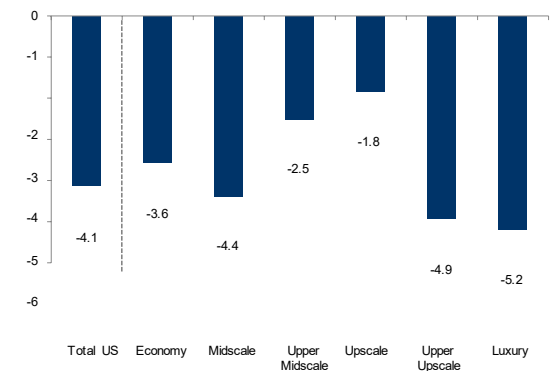
This paper examines recent economic

data, industry data, and survey research to explore the plausibility of travel continuing to grow, even in the face of an economic downturn in 2023.

Hotel demand has fallen dramatically in

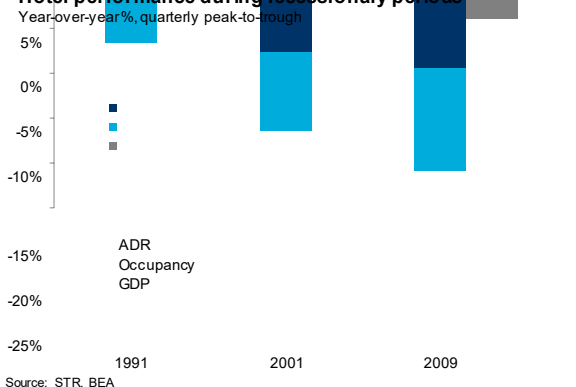
previous recessions; however, a variety of factors may mitigate this effect.

Hotel demand response to GDP during recessions
% change in room demand from -1% change in real GDP, 1987-2019



Source: Tourism Economics

Hotel performance during recessionary periods



Source: STR, BEA

The Case for Leisure Travel Resilience

We see four distinct, but inter-related, drivers of leisure travel in the coming year. Collectively, these will sustain formidable forward momentum while the economy falters.

1. Household balance sheets remain strong.
2. International capacity is being restored.
3. Travelersentiment shows continued pent-up demand.
4. Remote work is allowing for more travel.

Households amassed substantial savings during the pandemic and much of these savings remain available for travel. This is true for nearly all developed markets and especially pronounced in the US. While these savings have been drawn down to some degree, the majority remains as a consumer war chest. In the US, about \$1.7 trillion in excess savings remains of the \$2.5 trillion saved during the initial year of the pandemic. Host noted this in their November 3 earnings call: "While macroeconomic concerns continue to dominate the headlines, we are not seeing any signs of weakness in our business. In contrast to 2008, the banking system is in good shape, leverage levels are reasonable, and consumers still have \$1.7 trillion in excess savings, with the majority concentrated in the top income brackets which gives us confidence the recovery in the lodging industry is sustainable."

Balance sheets remain strong overall, with debt service at low levels and net worth still historically elevated.

Household debt service

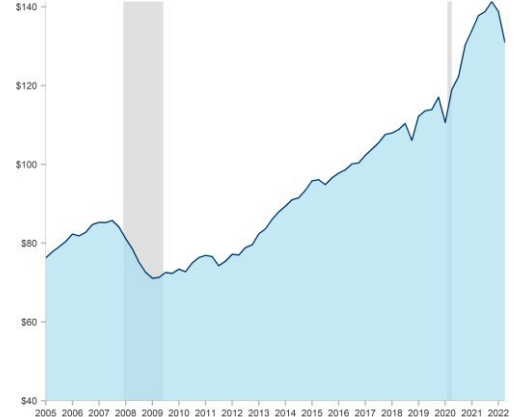
Financial obligations as ratio to disposable income



Note: Quarterly data through 2022Q2. Financial obligations ratio is the ratio of household debt payments, and payments such as rent and auto leases, to disposable income. Source: Federal Reserve, NBER

Household net worth

In trillions, real



Note: 2020 dollars. Quarterly data through 2022Q2. Net worth of households and nonprofit organizations. Measures assets such as housing and financial assets, minus liabilities. Source: Federal Reserve, NBER

Furthermore, US income growth has exceeded the rate of inflation (measured as the PCE deflator) over the past two years. This is providing added purchasing power, even amidst rising prices.

Excess savings provide a bulwark for travel spending in the face of a 2023 recession.

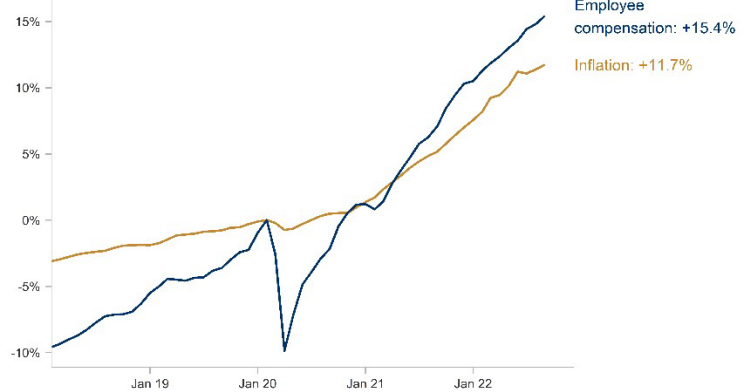
We expect excess savings in the top income brackets to sustain travel spending in the coming year.

A solid labor market, pent-up travel demand, and the shift of spending towards experiences will provide continued tailwinds in 2023.

Consumer spending data present an interesting picture of households in the US prioritizing services while weakness is evident in goods. Marriott noted in their August earnings call, "we have yet to see signs of a slowdown in global lodging demand. On the contrary, the pent-up

Compensation compared to inflation

Growth since February 2020



Note: US nominal employee compensation (wages, salaries, insurance, etc.) in aggregate. Inflation measured using PCE deflator. Data is seasonally adjusted, through September 2022. Source: Bureau of Economic Analysis

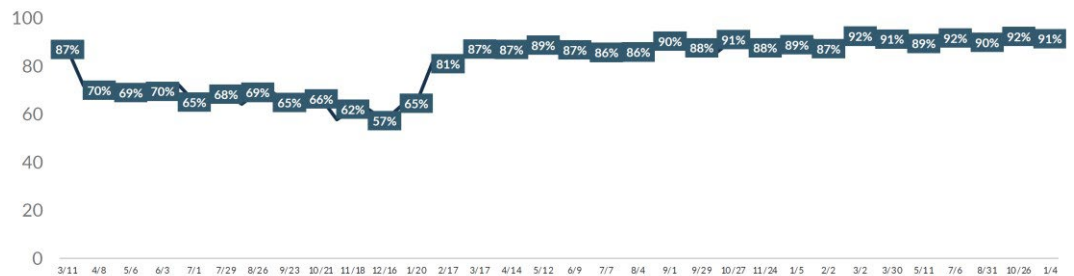
of travel, the shift of spending towards experiences versus goods, sustained high levels of employment and the lifting of travel restrictions and opening borders in most markets around the world are fueling travel." This theme continued in their November 3 earnings call: "We currently think 2023 global RevPAR could increase nicely year-over-year, driven by gains in both the U.S. and Canada and internationally."

Survey data from Longwoods add to the picture of sustained leisure travel demand. In fact, 92% of US travelers indicated they have travel plans in the next six months. This is as high a reading as this survey has registered in nearly three years.

Planning Leisure Travel Within the Next 6 Months

% of American Travelers

Travelers with Travel Plans in the Next Six Months Comparison

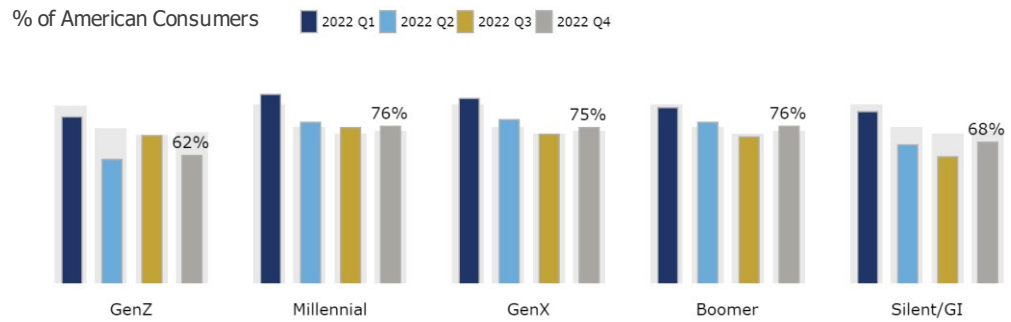


Longwoods | miles
INTERNATIONAL PARTNERSHIP

Travel intentions remain high.

Data from MMGY’s latest Portrait of the American Traveler show a similar picture with increased intent to travel across most income categories with a notable exception: households earning less than \$50,000 per year.

Planning Leisure Travel Within the Next 12 Months

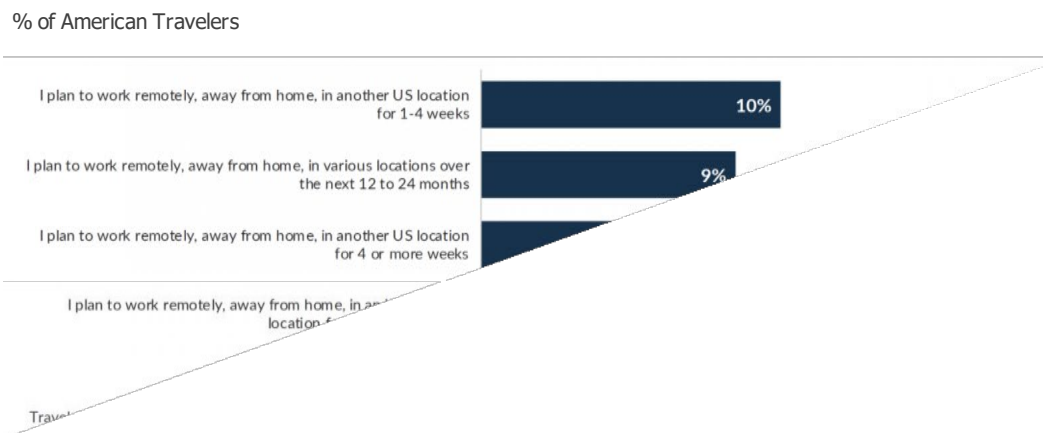


Source: MMGY

International travel also remains suppressed, partly by limited air service. However, plans for resumption of service are in place across the airline industry. Delta noted in their October 13th earnings call, “Demand for transatlantic travel is extending well into the fall. Starting in October, we anticipate flying more transatlantic capacity than 2019, making it the first geography to exceed 2019 capacity levels.”

Lastly, leisure travel will benefit from the ongoing flexibility afforded by remote work. In United Airlines’ October 19 earning call, executives noted, “There’s been a permanent structural change in leisure demand because of the flexibility that hybrid work allows. This is not pent-up demand. It’s the new normal.” This is evident in the latest Longwoods data for US travelers, 34% of respondents indicated they planned to travel while still working remotely in the coming 12-24 months. This share has risen significantly over the past four months; just 26% planned to travel while working in early July.

Remote Work Plans Within the Next 12-24 Months



The latest data from MMGY indicate an increase in leisure travel planning across all generations except GenZ.

The flexibility of remote work has introduced a new travel market with 34% of travelers indicating they planned to travel while working remotely in the coming 12-24 months.

The Case for Business Travel Resilience

Business travel continues to rebuild to pre-pandemic levels. From United’s October 19th earnings call, “Regardless of what you think demand for business travel will ultimately return to 100% or something less, it almost certainly is going higher from here.”

Third quarter data from JD Power, conducted on behalf of the U.S. Travel Association show that business travelers increased their travel expectations in the fourth quarter of 2022, with expectations reaching 101% of 2019 business travel volumes for the coming six months. Business travelers expect both conferences and customer meetings to exceed 2019 levels.

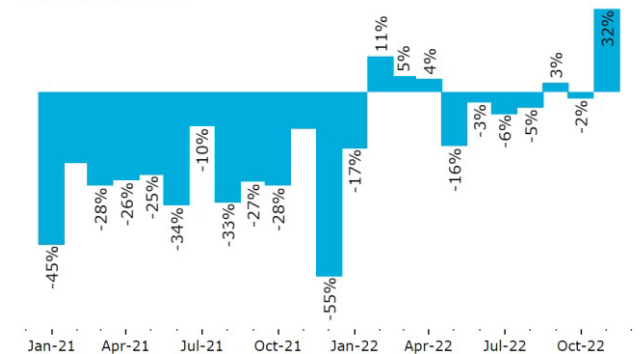
Group hotel bookings are also gathering strength. Across more than 250 destinations in the US, group bookings for future events have been gradually increasing and for the last half of 2022, were only down single digits relative to 2019. Bookings in December registered 32% ahead of 2019 room nights booked.

Business travel intentions rose sharply in the fourth quarter of 2022 across all purposes.

Group hotel bookings and the outlook of meeting planners continue to exhibit strength.

DMO/CVB Group Bookings

Hotel room nights contracted during most recent months % change from 2019

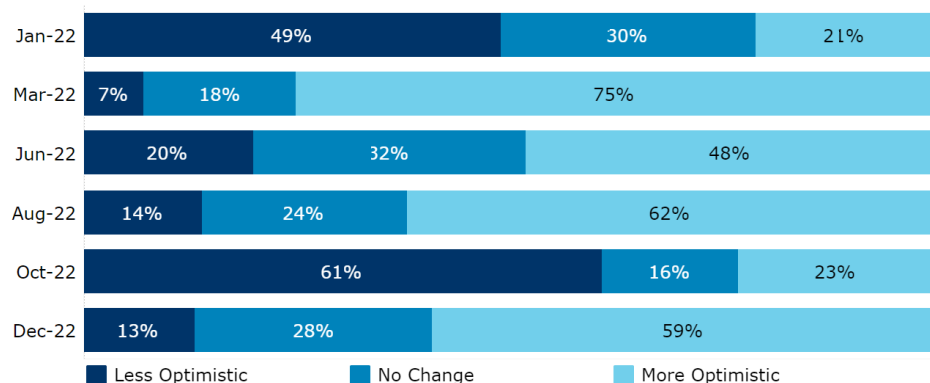


Source: Simpleview CRM (250+ U.S. DMOs)

The latest meeting planner outlook from Northstar Meetings Group also shows strengthening expectations with 59% of planners feeling more optimistic

Meeting Planner Outlook

How the outlook for recovery has changed among meeting planners the past six weeks



Source: Northstar Meetings Group and Cvent (Meetings industry PULSE survey)

On October 26, Hilton conveyed a consistent perspective on its earnings call, saying “We expect business transient RevPAR to continue to see gradual recovery, primarily driven by rising demand as companies encourage their people to get back on the road.”

And Marriott, during their September earnings call, noted that “group bookings <for future dates> are up 30% compared to 2019, and we expect it to perform better than prior recessions.”

Conclusions

A US recession seems increasingly likely, affecting both businesses and consumer demand. The travel industry will not be unaffected by these headwinds. However, current data support our view that travel is on an upward swing and that this momentum will prevail through a recession. As a result, the travel industry will defy the typical dynamic of falling to a greater degree than the broader economy. That is, while the economic tide recedes, the travel tide may still rise in 2023.

Proposed New Tourism Plan Partners/Programs

Potential Annual Funding Amounts

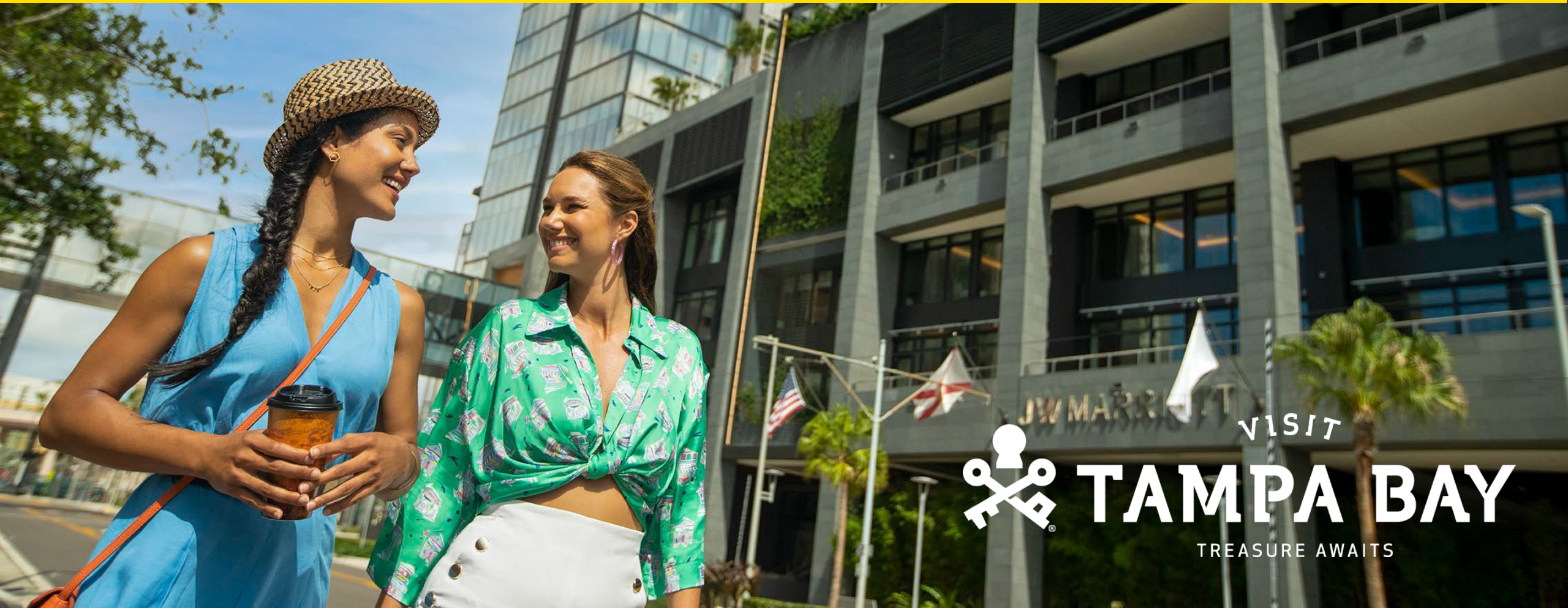
FY 24 & FY 25

Tampa Bay Film Commission Base Contract	\$450,000
High Impact Events-TBSC/Other	\$700,000 - \$1,000,000
Film Incentives – TBFC	\$300,000
County Sports complex – Facility Enhancements	\$500,000
Corporate Transient Demand Marketing	\$1,500,000 - \$1,750,000

VTB Quarterly Report

QUARTERLY PRESENTATION

FY23 Q1 REVIEW



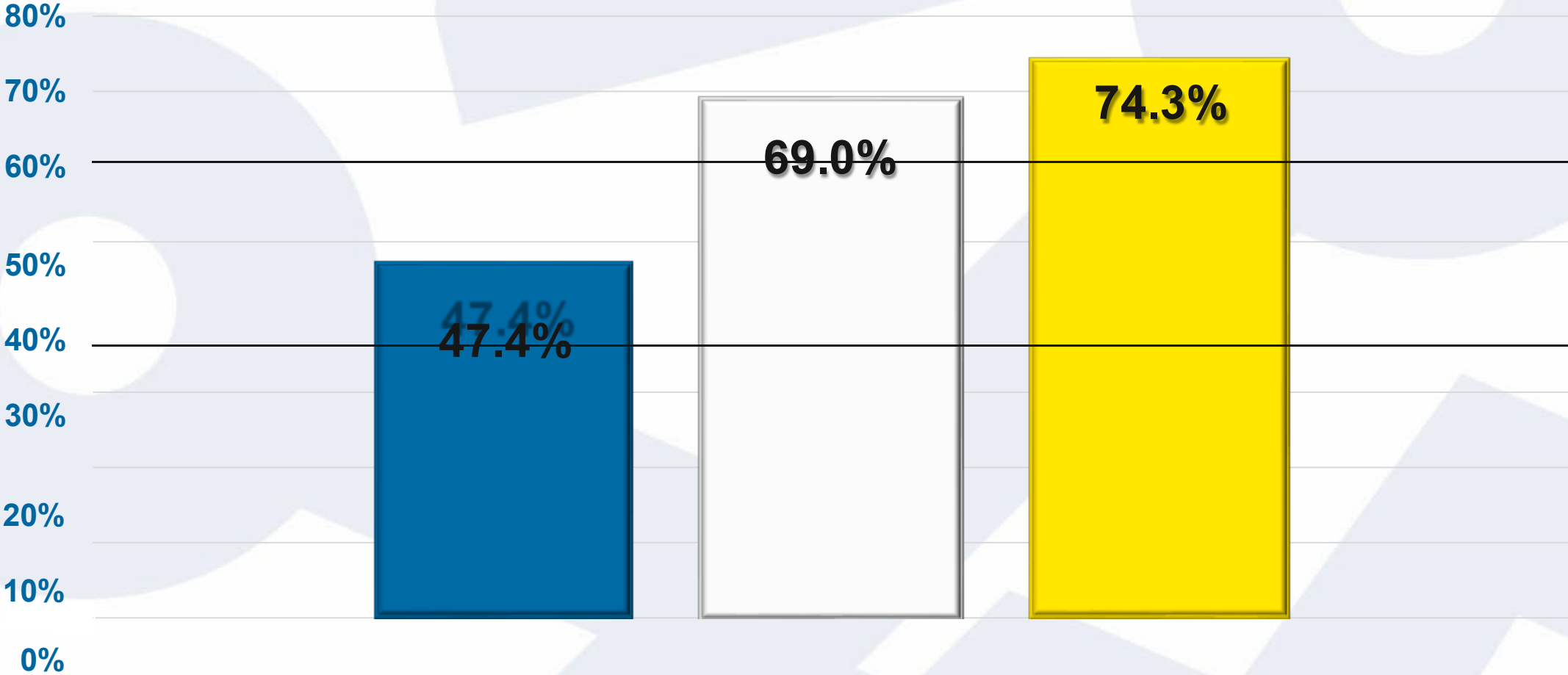
VISIT

TAMPA BAY

TREASURE AWAITS

Occupancy – Hillsborough County

Occupancy % Year-Over-Year Q1



Y21 Q1

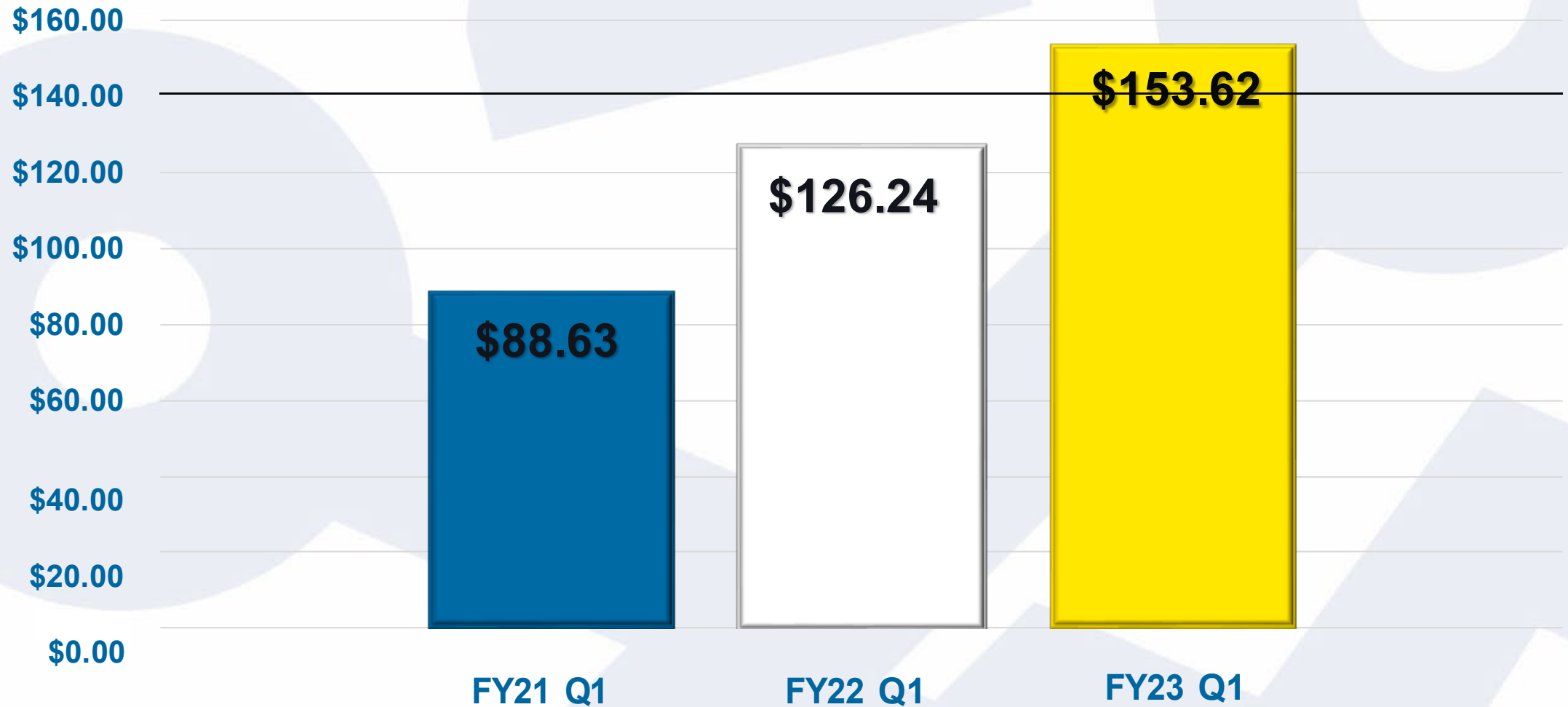
FY22 Q1

FY23 Q1

Source: STR, Inc.

ADR – Hillsborough County

Average Daily Rate Year-Over-Year Q1



*Source:
STR,
Inc.*

RevPAR – Hillsborough County

RevPAR Year-Over-Year Q1



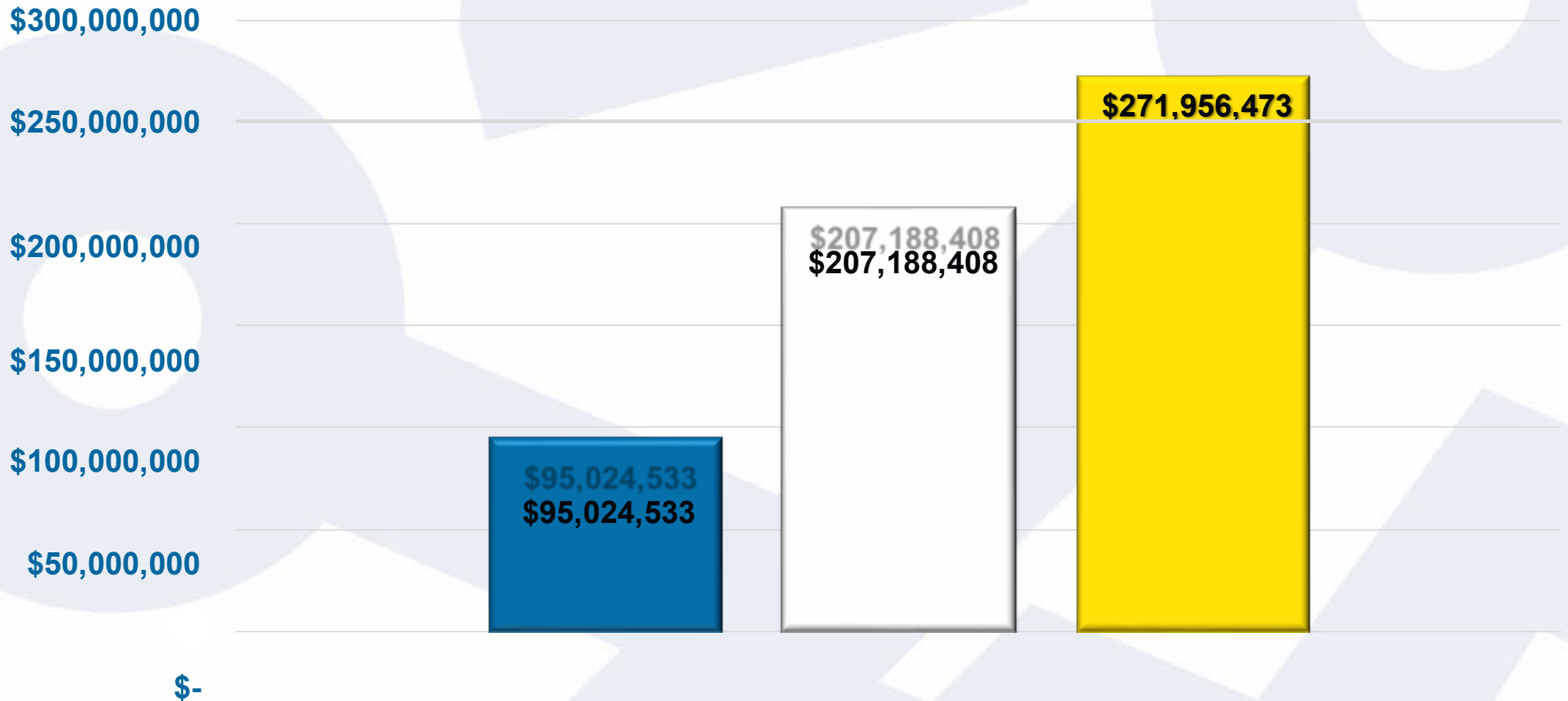
FY22
Q1

Source: STR, Inc.

FY23
Q1

Revenue Hillsborough County

Revenue Year-Over-Year Q1



Y21 Q1

FY22 Q1

FY23 Q1

Source: STR, Inc.

Hillsborough County Hotel Performance

	FY23 Q1	% Change Q1 23 vs. 22
Occupancy	74.3%	↑7.7%
ADR	\$153.62	↑21.7%
RevPAR	\$114.07	↑31.1%
Revenue	\$271,956,473	↑31.3%

Downtown Hotel Performance

	FY23 Q1	% Change Q1 23 vs. 22
Occupancy	69.5%	↑1.5%
ADR	\$219.37	↑22.9%
RevPAR	\$152.49	↑24.8%
Revenue	\$72,250,623	↑31.6%

East Tampa Hotel Performance

	FY23 Q1	% Change Q1 23 vs. 22
Occupancy	80.9%	↑6.0%
ADR	\$140.36	↑23.5%
RevPAR	\$113.58	↑30.9%
Revenue	\$66,753,336	↑28.9%

North Tampa Hotel Performance

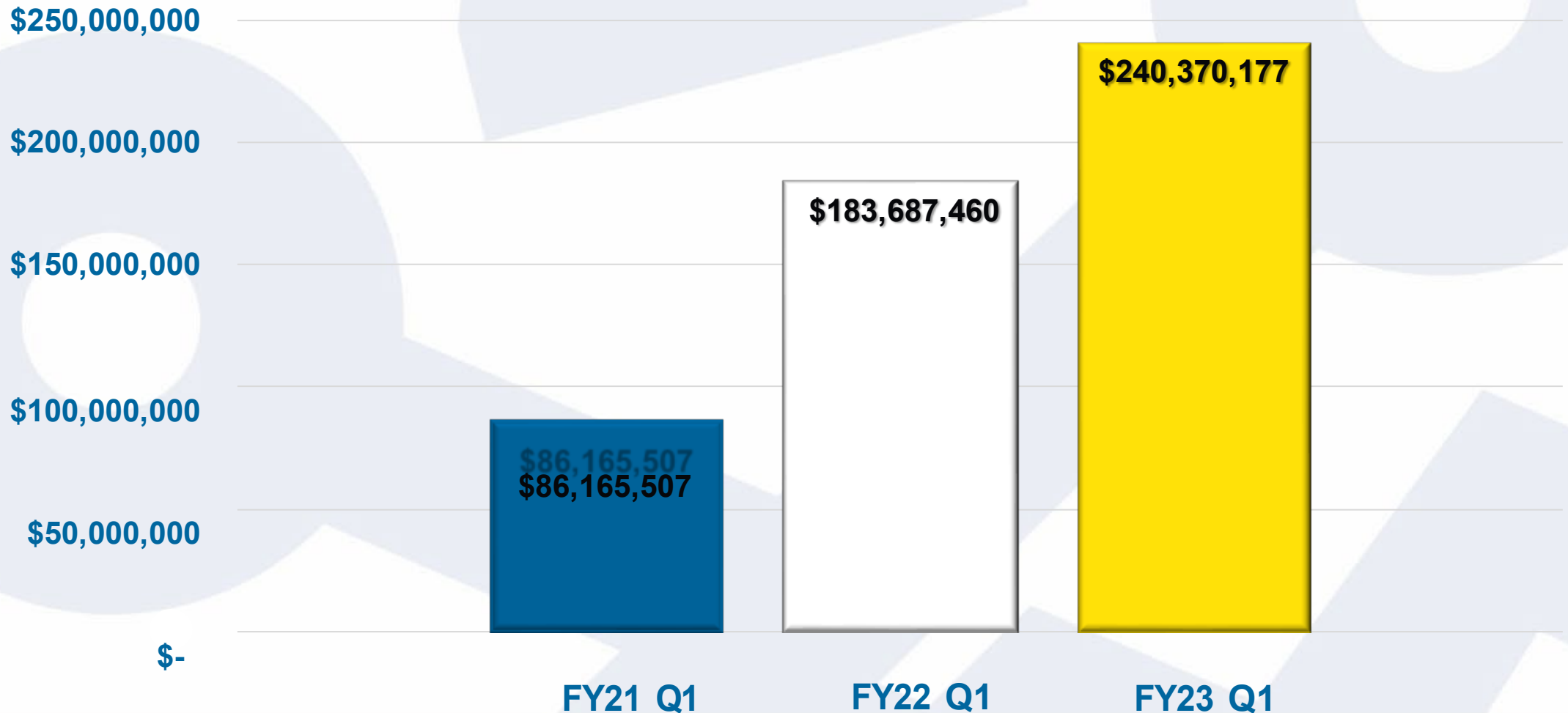
	FY23 Q1	% Change Q1 23 vs. 22
Occupancy	72.8%	↑14.8%
ADR	\$117.46	↑21.9%
RevPAR	\$85.54	↑39.9%
Revenue	\$32,305,334	↑31.7%

Westshore Hotel Performance

	FY23 Q1	% Change Q1 23 vs. 22
Occupancy	72.3%	↑10.5%
ADR	\$150.42	↑19.6%
RevPAR	\$108.74	↑32.1%
Revenue	\$95,790,026	↑33.9%

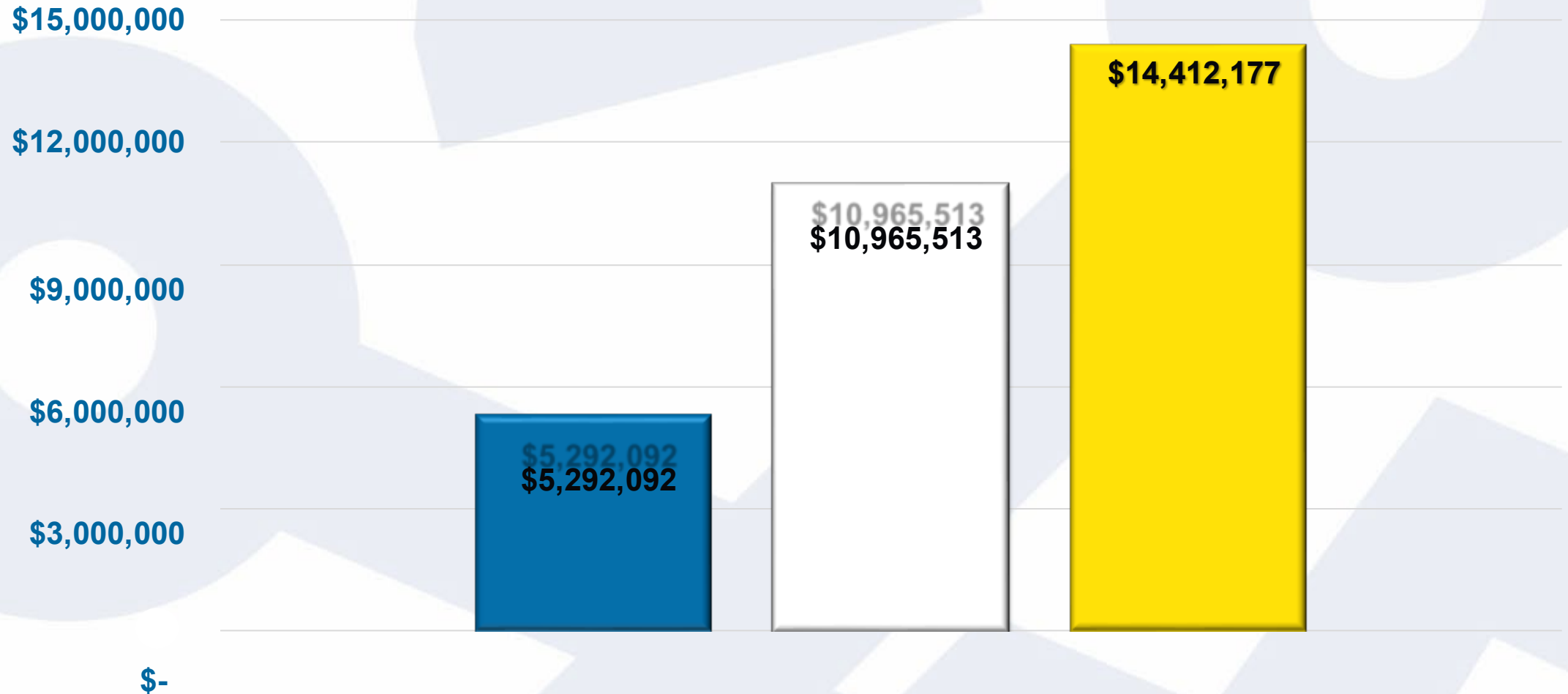
Hotel Taxable Revenue

**Q1 Report October Through December
For Hotel Collections September Through November**



Bed Tax Collections

Q1 Report October Through December
For Hotel Collections September Through November



FY21 Q1

FY22 Q1

FY23 Q1

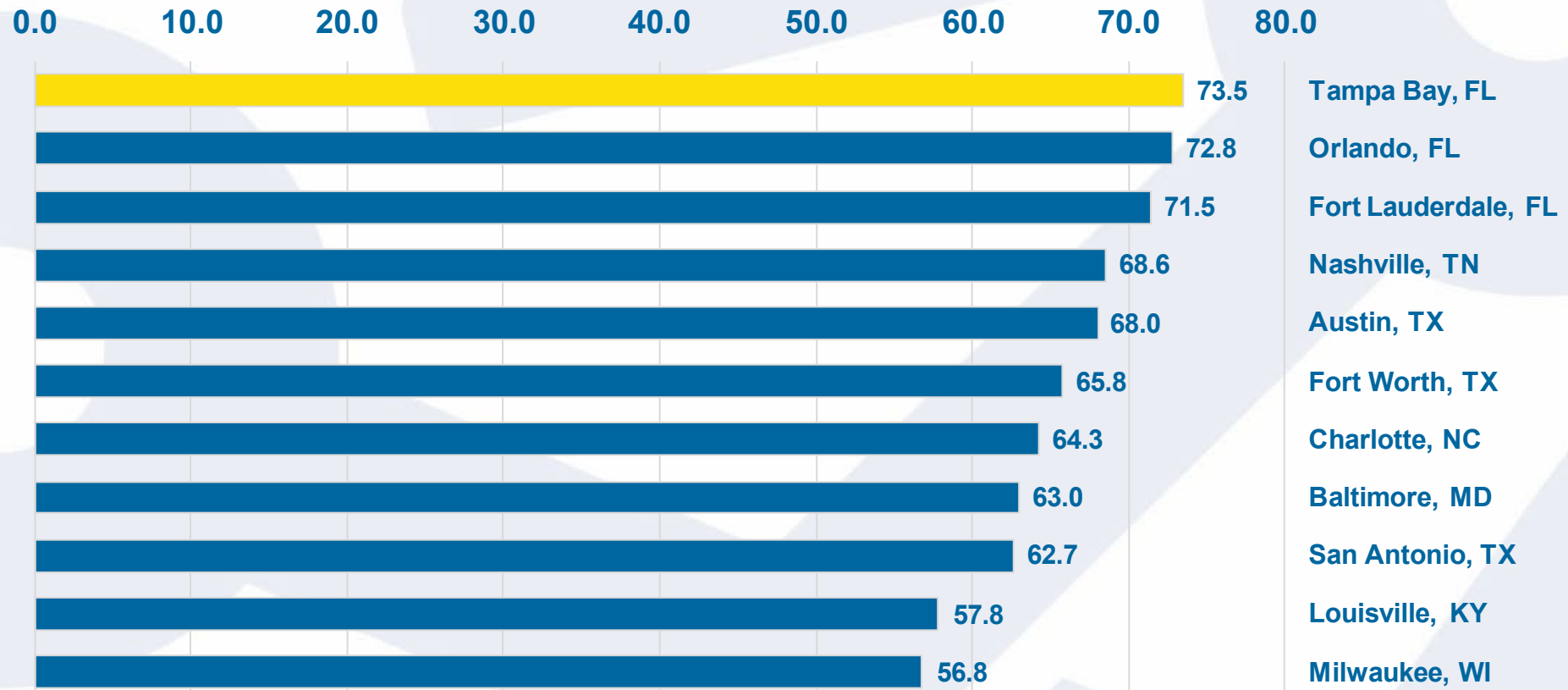
Hillsborough County

Hotel Performance Calendar Year 2022

	Calendar Year 2022	% Change CY 22 vs. 21
Occupancy	73.5%	↑9.8%
ADR	\$150.26	↑24.4%
RevPAR	\$110.46	↑36.7%
Revenue	\$1,043,196,280	↑37.0%

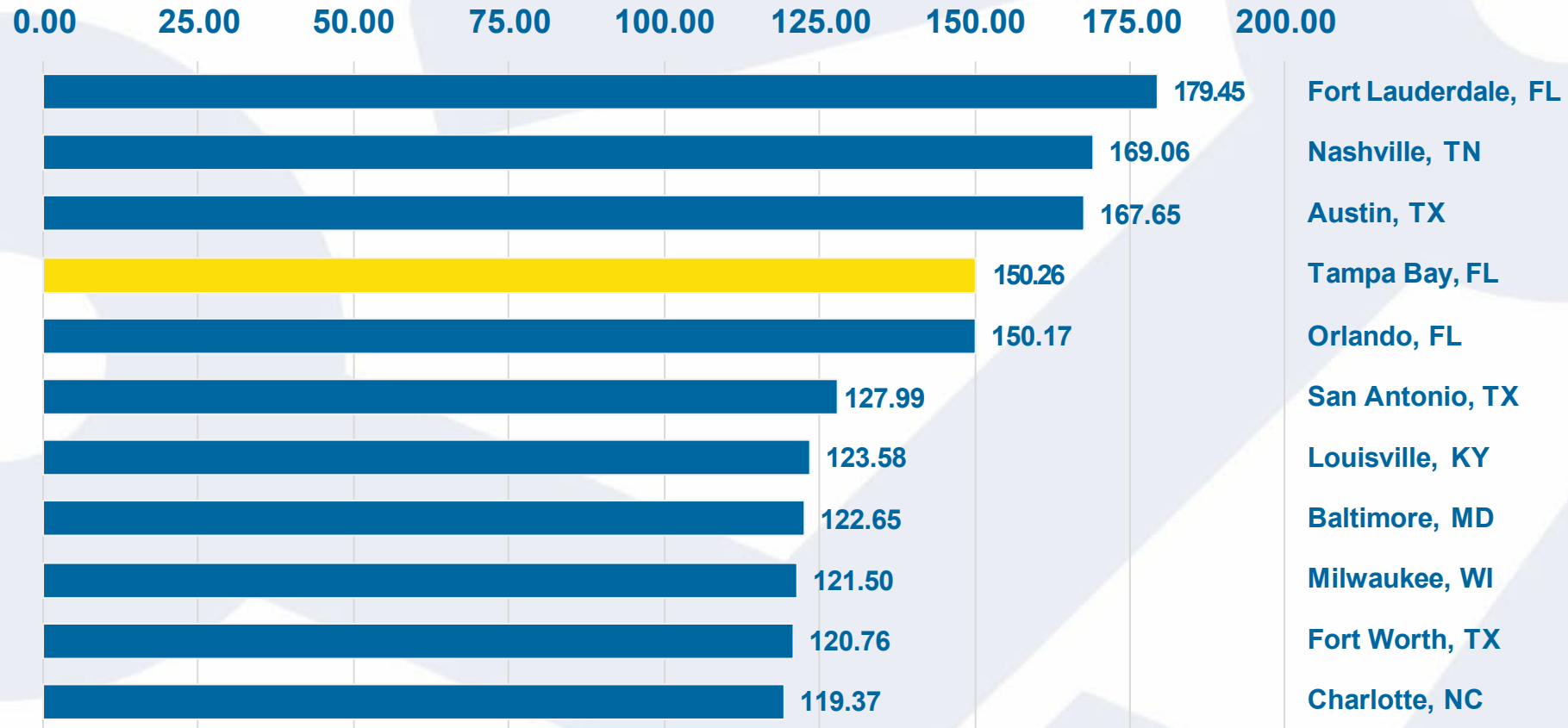
Convention Competitive Set

Calendar Year 2022 Hotel Occupancy



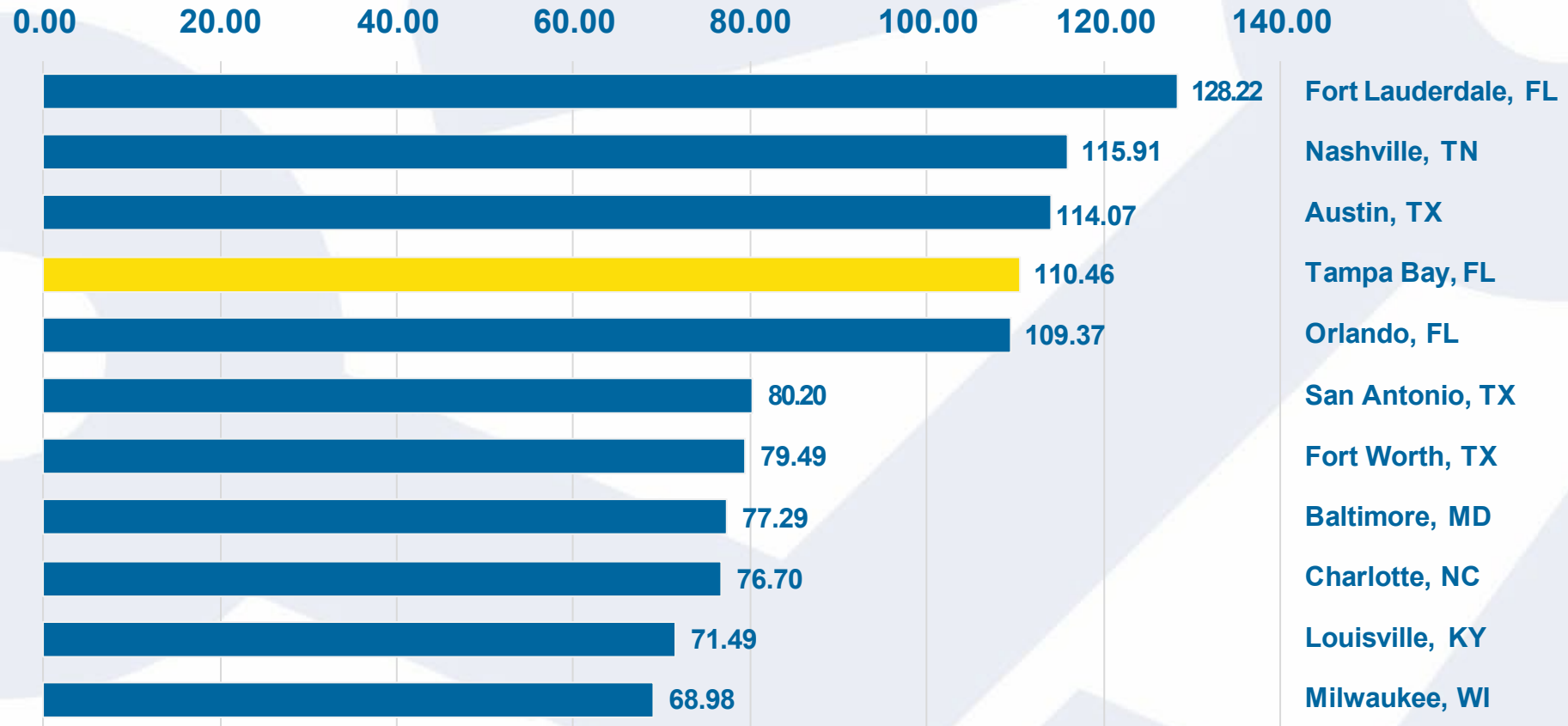
Convention Competitive Set

Calendar Year 2022 Average Daily Rate



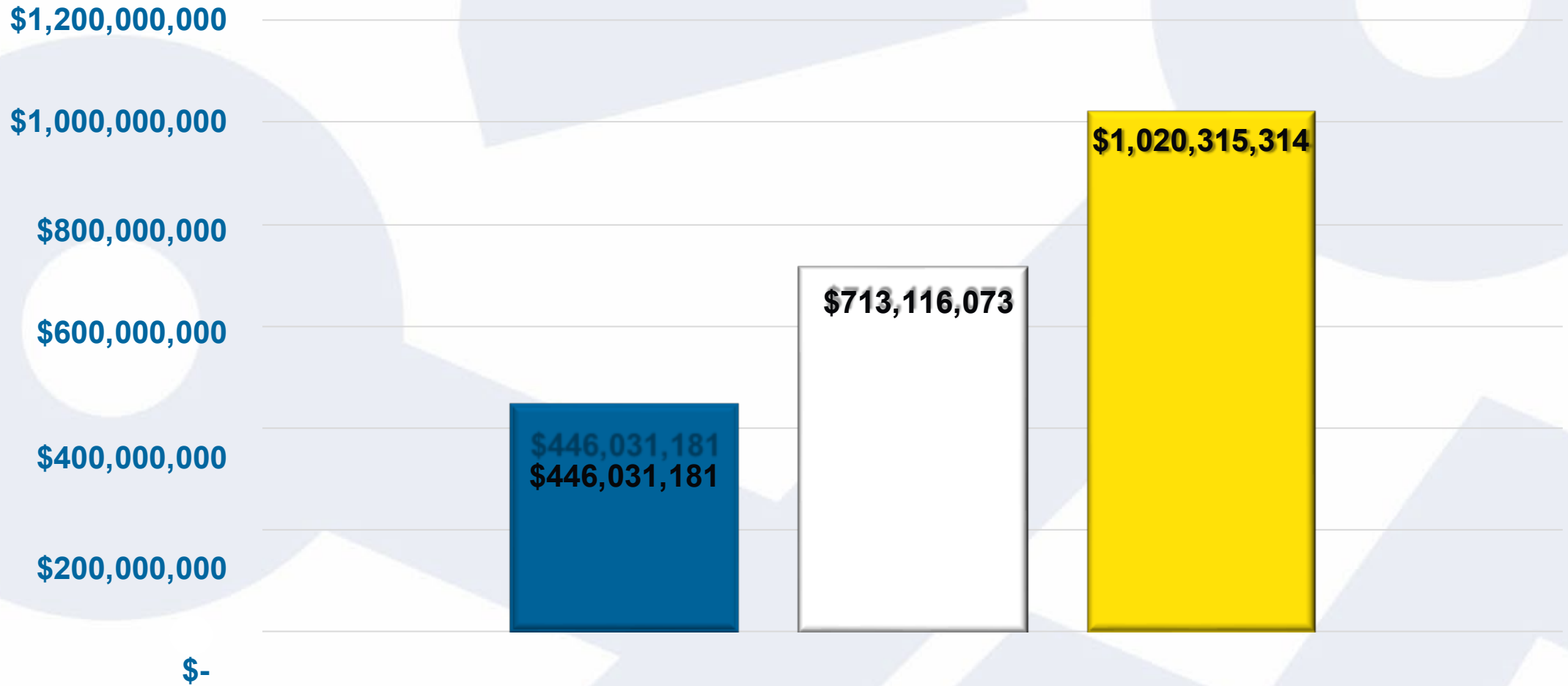
Convention Competitive Set

Calendar Year 2022 Hotel RevPAR



Hotel Taxable Revenue

Calendar Year 2022 Report January Through December
For Hotel Collections December Through November



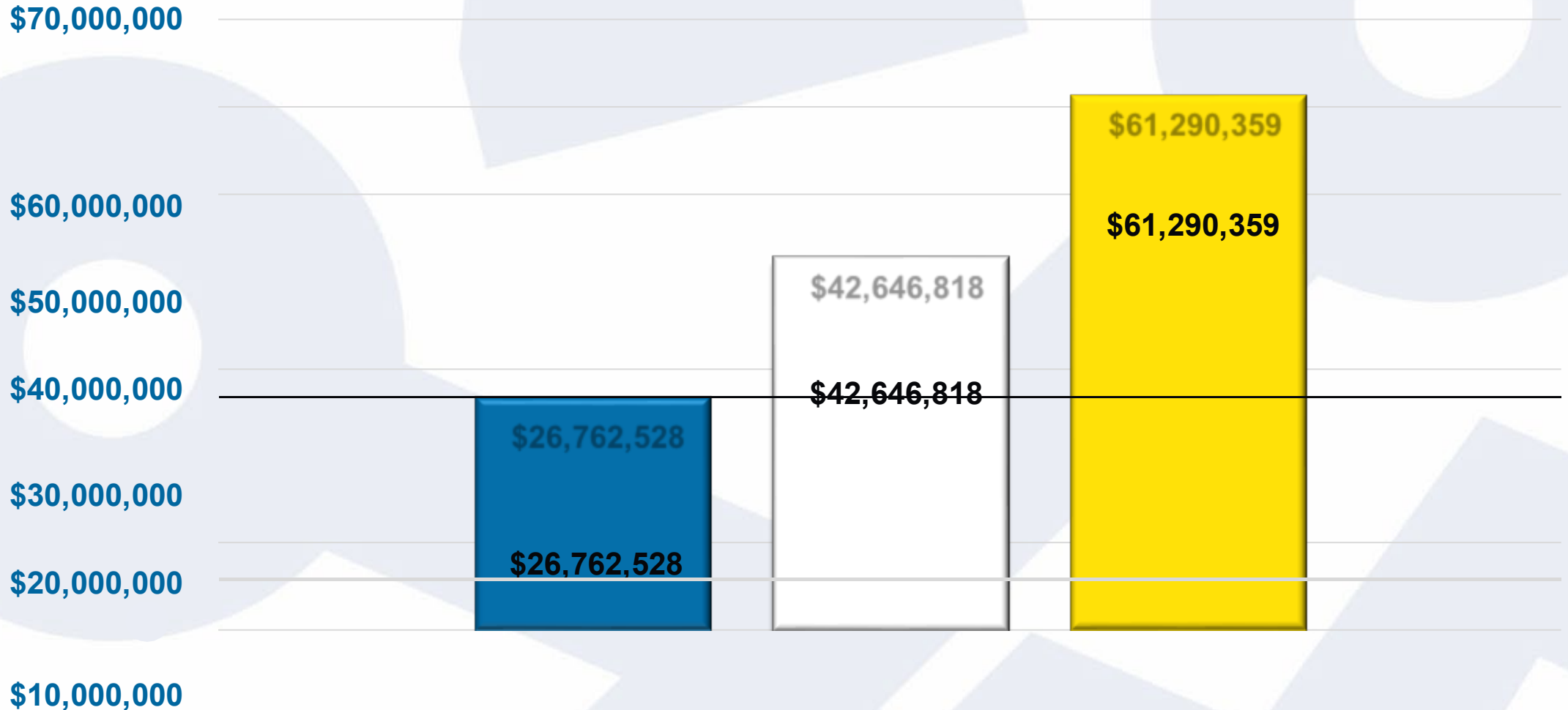
CY 2020

CY 2021

CY 2022

Bed Tax Collections

Calendar Year 2022 Report January Through December
For Hotel Collections December Through November



\$-

FY21 Q1

FY22 Q1

FY23 Q1

MULTICULTURAL CONVENTION SALES

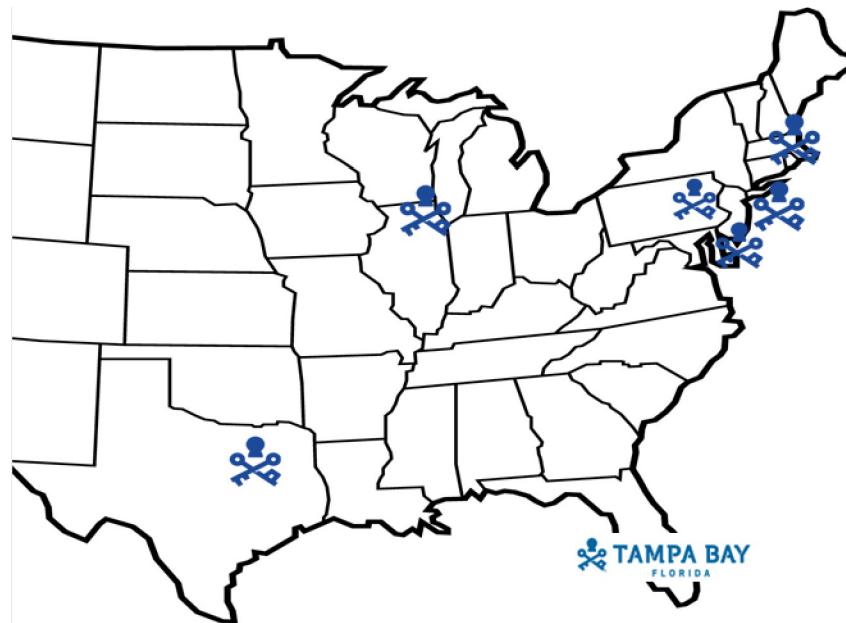
Work in **partnership** with multiple
diverse groups and **engage**
community partners to further
expand **relationships** and
connections with **national**
multicultural organizations



Market Selection

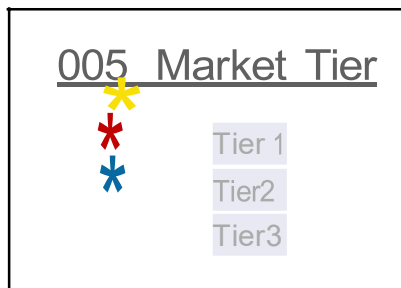
Hone-in on our most opportunistic fly markets, building off the seeded awareness invested in over the last few years.

Prioritize top 1 and 2 tier markets and continue to build market share.



Winter Priority (Fly) & DMA Rank

- ★ New York, #1
- ★ Chicago, #3
- ★ Philadelphia, #4
- ★ Dallas-Ft. Worth, #5
- ★ Washington, D.C., #9 (Recent addition)
- ★ Boston, #10



Premium Video+

Most impactful messaging with sight and sound to inspire travel to a destination

Effectively extend frequency targeting with audience extension

Align innovation technology with new premium, custom features to showcase Visit Tampa Bay in a new way among CTV viewers



NEW!
1st to Market

Multi-Market

Custom Wrap

First to market with a custom wrap that cover the sides and top of the vehicle for more impactful branding



CARVERTISE®

Northeast (Multi-Market)

Amtrak

Extend reach against thousands of commuters on one of the country's busiest travel hub with 1/4 showings on both the Acela Express and Northeast Regional (includes Empire and Keystone Service)

Acela



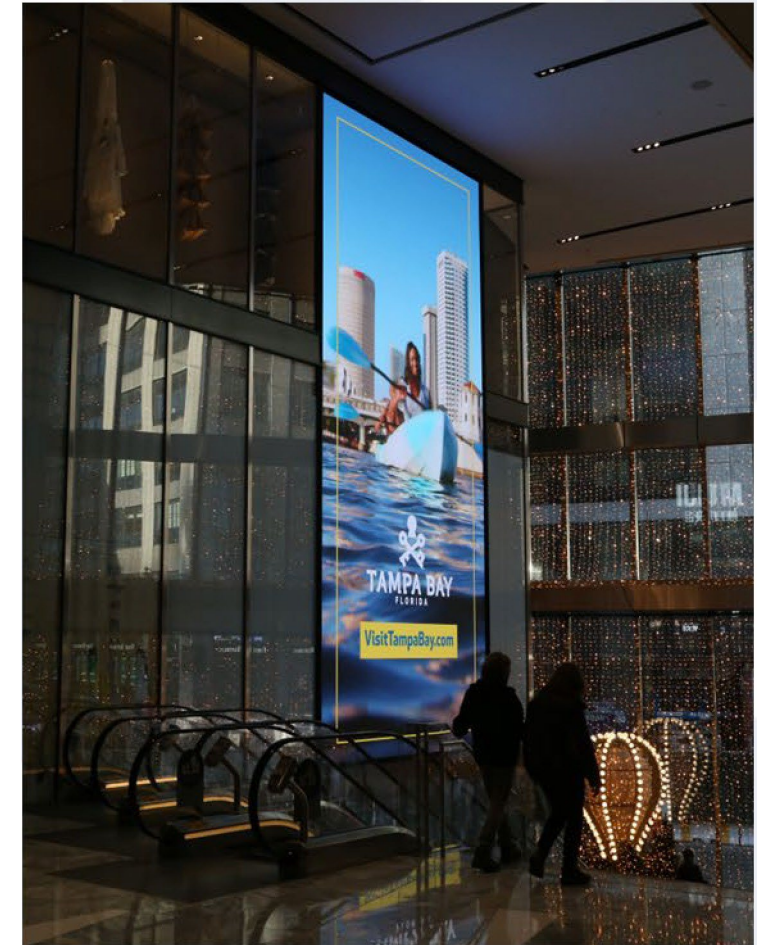
Northeast Regional



New York

Hudson Yards Digital Network

- High impact digital network in New York's hottest complex
 - Reaches highly affluent, residential area
 - High Line, 7 Train, Javits Center
- Number of Units: 62
- Over 3M Impressions guaranteed!



Intersection

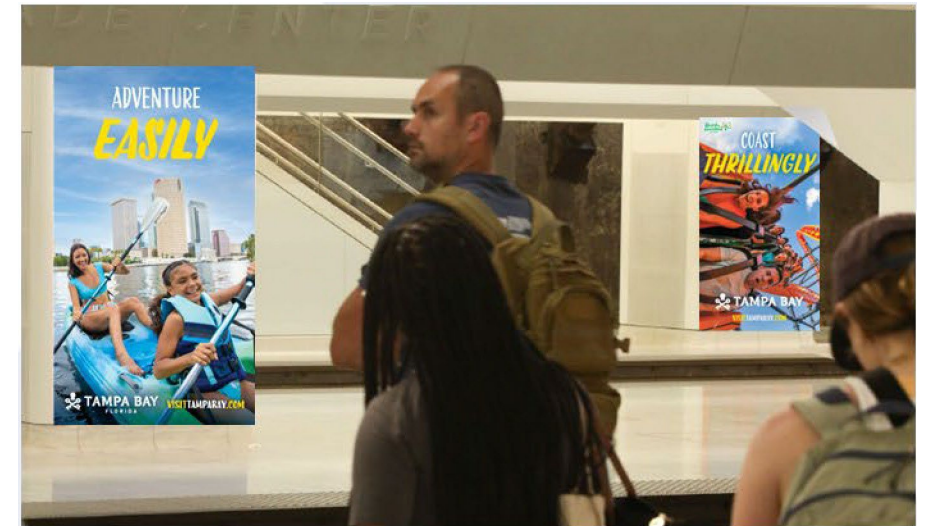
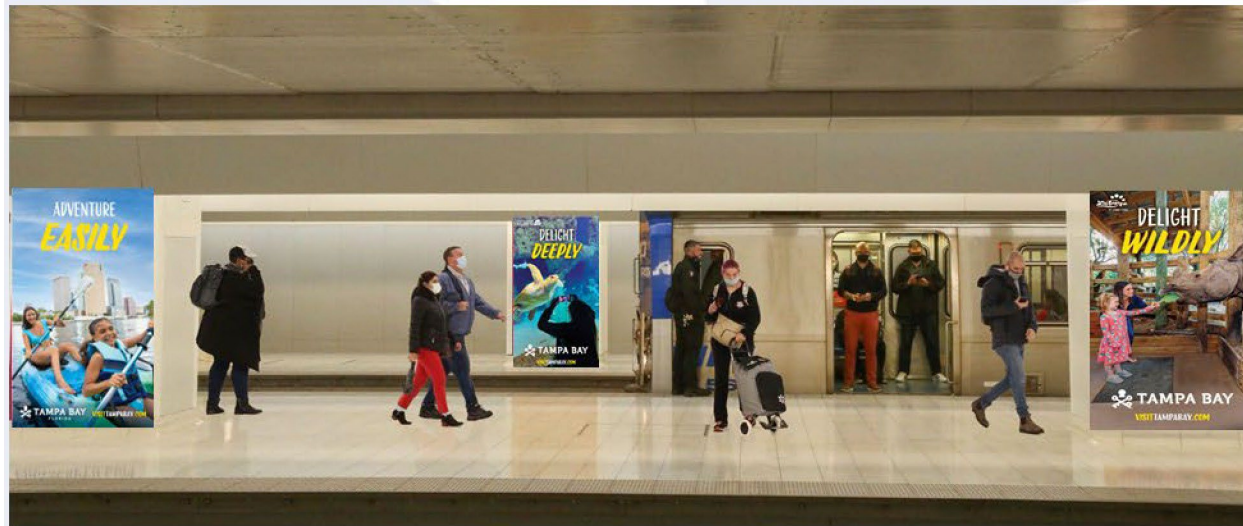
NEW!

1st
DMO

New York

World Trade Center Station Takeover

Column panels span the entirety of the rail platform, creating a continuous, canvas for bold, and exciting messaging



Intersection

NEW!
1st OMO

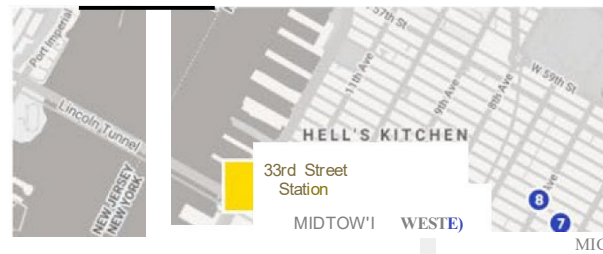
New York

33rd Street Station Takeover

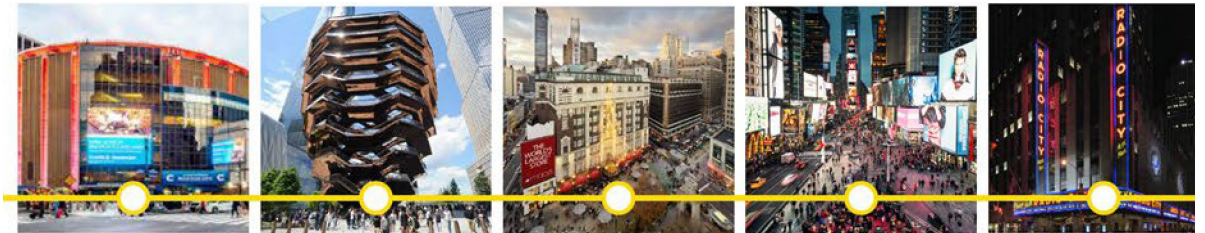
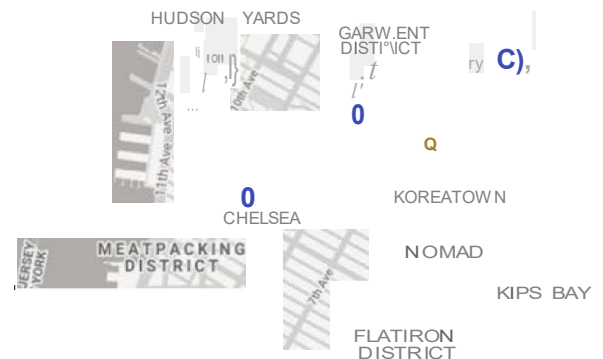
- Create an impactful moment at the 33rd PATH Station, brings riders into the heart of Midtown, connecting passengers to Madison Square Garden, Long Island Rail Road, Amtrak, New Jersey Transit, MTA Subway, etc.
- Number of units: 162
- Flight: 4 weeks (1/23/23-2/19/23)
- Est. Impressions: 15.3M

33rd Street Station Area Map

1. Madison square Garden & NY Penn



2. Hudson Yards
3. Times Square
4. Macy's Herald square
5. Chelsea
6. Bryant Park
7. Rockefeller Center
8. Radio City Music Hall



Madison Square Garden & NY Penn Station

Hudson Yards

Herald Square

Times Square

Radio City Music Hall

Intersection



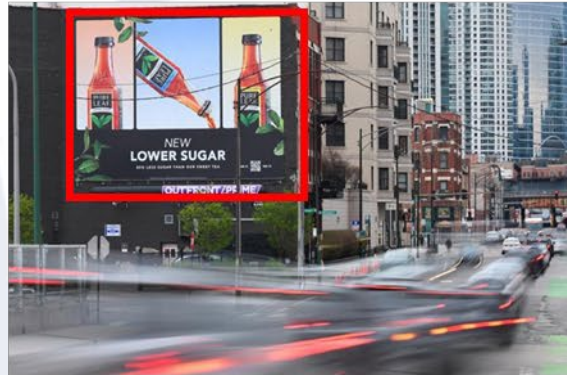
NEW!

Chicago Bulletins

Drive inspiration across Chicago in affluent neighborhoods with bulletins in peak traffic intersections



Wall Scapes
River North



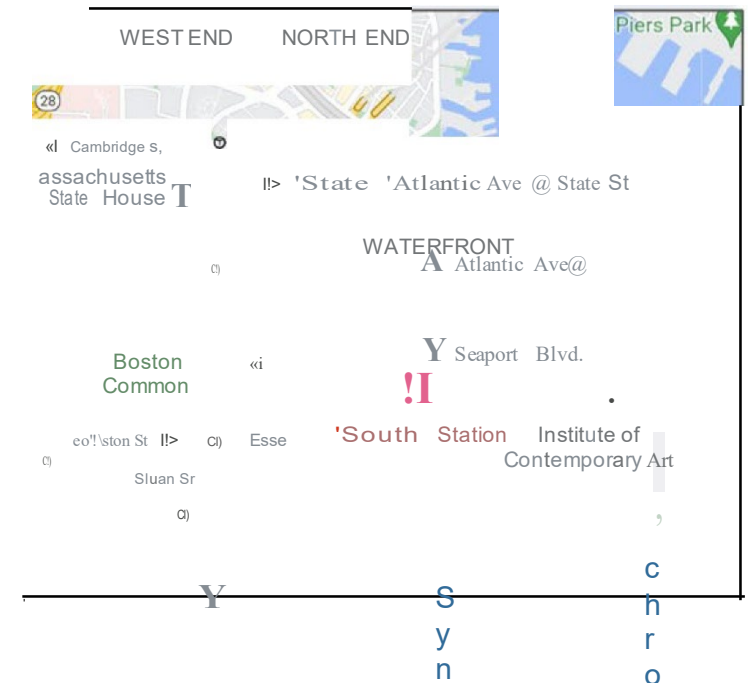
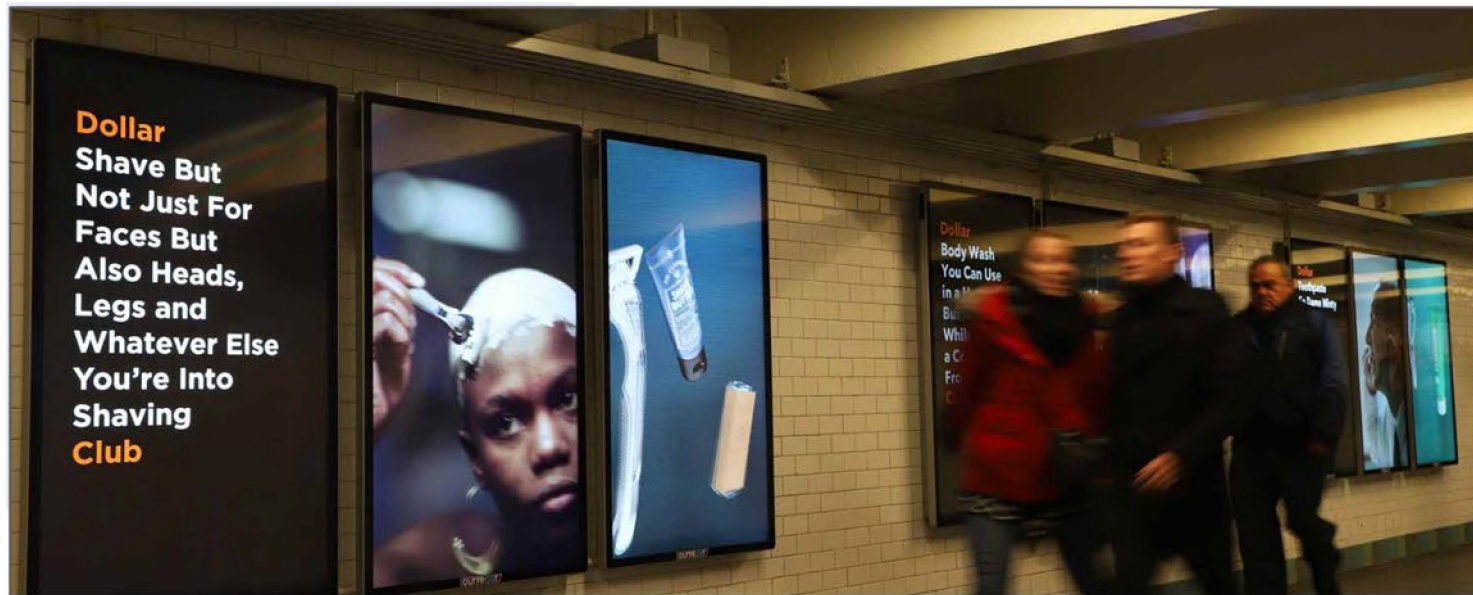
Digital Bulletins
North Side neighborhoods including River North,
Lincoln Park, & Lakeview

NEW!

Boston

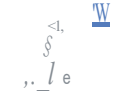
Digital Liveboards

- Liveboards installed in some of the busiest stations in Boston. The liveboards have dynamic capability
- South Station: Known as Boston's busiest transit hub providing rail service across the Greater Boston area as well as the Northeast and Midwestern regions of the U.S.
- Number of Units: 61
- Flight: 8 weeks



d video screens allow for engaging creative

Y VILLAGE



W

AHeraldSt@
Harrison Ave

W

SOUTH BOSTON
WATERFRONT

NEW!

Philadelphia

Digital & Static Bus Shelters

Located on high-traffic city streets, these displays offer the opportunity to rotate various creative messages throughout the day in high traffic commuter areas



NEW!

Paid Social

Introducing a strategic dedicated social plan to
the OOS strategy

KPI: Reach/Brand Awareness (Ad Recall)

Platform: Meta (Instagram/Facebook)

Markets: New York, Chicago,
Boston, Philadelphia, Dallas, Washington D.C.



 Meta



NEW!

High Impact Digital / Engagement

- Custom rich media that prompts engagement with full-screen video to drive awareness and site visits
- Targets: Those planning to travel in the next 6 months found through consumer data and polling technology
- Markets: New York, Chicago, Boston, Philadelphia, Dallas, Washington D.C.
- KPI: Brand Awareness & Engagement



INTERNATIONAL REPRESENTATION

four



AVIAREPS®

● EXISTING DESTINATIONS

● NEW DESTINATIONS

