

MINUTES – DESTINATION DEVELOPMENT COMMITTEE

Irving Convention Center – Junior Ballroom

Tuesday, February 18, 2025

Those in attendance were: Committee Chair Colvin Gibson, Committee Vice Chair Julia Kang, Board Chair Richard G. Stewart, Jr., Anthony Buttafuoco, Michael Basoco, Beth Bowman, Dallas Burke, Karen Cooperstein, Herb Gears, Kim Limon, John Tancabel, and J. Lee Whittington – Committee members; Bob Bourgeois, David Cole, and Cambria Jones – Board of Directors; Assistant City Manager Philip Sanders and Councilman Kyle Taylor – City of Irving; Carol Boyer, Maura Gast, Lori Fojtasek, Marianne Lauda, Brenda Lopez, Diana Pfaff, Susan Rose, Matt Tungett, and Monty White – ICVB staff; General Manager Tom Meehan and Keyse Araujo – ICC staff; Present & CEO GoRockford John Groh, President & CEO Visit Quad Cities, David Herrell, President & CEO Visit Lauderdale Stacy Ritter – Panel; Chris Arrington, Bob Bettis, Donna Bourgeois, Bob Galecke, Clem Lear, Richard Lindsey, and David Pfaff – Guests.

Committee Chair Colvin Gibson called the meeting to order at 11:35 a.m. There were no citizen comments.

Gibson welcomed everyone in attendance, including the panel guests, City Council representatives, past and current Board members, and ICVB/ICC staff. A moment of silence was observed for the passing of past ICVB Board Chair James Cassels.

Gibson asked for a motion to approve the Destination Development Committee meeting minutes of November 5, 2024. On a motion from Board Chair Richard Stewart, Jr., and a second from Board member Karen Cooperstein, the motion passed unanimously.

Gibson gave opening comments noting this meeting and the ICVB Strategic Plan lay the groundwork for the Destination Development Committee's work for 2025 which includes advocating for destination-enhancing development and enhancing the visitor experience. He referenced the Planned Unit Development (PUD) 6 information that is included in the meeting packet.

- PUD 6 referred to as former stadium site is 450+ acres of buildable land on the entire site.
- Goal is to make full use of the site and create an asset for the City.
- Originally envisioned very broadly as mixed use, transit-oriented development with corporate, retail, residential and entertainment uses.
- New landowner investment has merited looking with a new perspective, including the possibility of a "Destination Resort."
- Revisiting the structure and language of a Destination Resort will give the new landowner, and other potential future investors, the clarity they need to think bigger picture.

Gibson commended the City Council for capitalizing on the opportunity and thinking big.

TRANSFORMATIONAL DEVELOPMENTS PANEL DISCUSSION

Executive Director Maura Gast introduced the panelists: Present & CEO GoRockford John Groh, President & CEO Visit Quad Cities, David Herrell, President & CEO Visit Lauderdale Stacy Ritter. Gast reminded attendees of the Greater Irving-Las Colinas Chamber of Commerce Economic Development meeting on February 19 at 11:30 a.m. at the Irving Convention Center and encouraged all to attend.

Gast asked each panelist to provide their background information and shared challenges faced in promoting their destinations over the years.

Herrell – Visit Quad Cities

- Quad Cities is located on the Upper Mississippi River and spans two states, making it bi-state and multi-jurisdictional.
- The region's DMO was created in 1990 by merging multiple CVBs and Chambers to support a regional economy.
- Operating across several jurisdictions and managing multiple budget streams presents significant challenges.
- Visit Quad Cities has a staff of 12 full-time employees and some part-time employees.

Ritter – Visit Fort Lauderdale

- Visit Fort Lauderdale operates under a county government structure.
- It is 100% funded by Broward County and governed by a nine-member Board of County Administrators.
- Staff includes 50 members.
- They collaborate with Visit Florida, though no direct funding is shared.
- Visitors are 75% leisure and 25% business/association groups.
- The Convention Center is undergoing renovation, with plans for an expansion to include an attached Omni Hotel.

Groh – GoRockford

- GoRockford focuses on long-term development guided by "cathedral thinkers."
- The market is considered recession-proof due to its strong youth sports segment.
- The organization has 15 full-time staff members.
- 25% of its budget comes from private funding.
- Increasing involvement in festivals, public art, and green space projects.

Ritter – Destination Transformation

- In the early 1990s, Fort Lauderdale was a Spring Break hub, which created destructive conditions.
- Implemented regulations like banning open containers, improving crowd control, and increasing police presence.
- Transitioned from small beach hotels to luxury properties and high-income travelers.
- Attracted multi-million-dollar residential areas.
- Now represents a diverse community with 170 nations and 148 languages.
- Fort Lauderdale is now a much richer cultural tapestry.

Groh – Rockford's Turnaround Story

- In 2013, Forbes ranked Rockford the third "Most Miserable City in America."
- In response, GoRockford launched the "Misery Loves Company" campaign, later transitioning to "In Good Company."
- The negative publicity led to a deeper transformation initiative.
- Focus shifted to youth sports with new facility investments.

- Recently named one of the fastest-growing communities by the Wall Street Journal and Realtor.com.
- Rockford saw rising home values and a reduced tax levy.
- The Hard Rock Casino opened this past year through a city agreement.
- Rick Nielsen of the band Cheap Trick, a Rockford native, has invested in the city.

Herrell – Regional Coordination in Quad Cities

- Gast asked about managing five cities, 38 communities, two states, and two counties.
- Herrell emphasized the importance of recognizing each community's unique characteristics and building a unified regional narrative.
- Local leaders understand tourism's value and collaborate under DMO leadership.
- Capitalized on the downtown riverfront, turning it into a destination.
- Added youth sports facilities in Bettendorf, Iowa (privately funded), which also benefit Illinois.
- Currently strategizing a Tourism Master Plan for 2030 focusing on destination development and programming.

Herrell – Casinos and Economic Development

- Quad Cities began with riverboat casinos, now land based.
- Casinos have been highly successful, supporting both tourism and economic development.
- The region includes 3 casinos with 2,000 employees.
- Operated by Caesars, Bally's, and Elite, all considered strong corporate citizens.
- Regional Development Authorities invest a portion of gaming revenue into community initiatives (arts, culture, economic development).
- Bally's handles Illinois operations similarly.
- Iowa has 19 casinos; Illinois has 15—each state, generating \$1 billion in annual economic impact.
- Strategic casino partners sit on the Board of Directors.

Groh – Rockford's Casino Development

- Rockford's gaming journey began in the early 1990s when Illinois launched riverboat casinos.
- The state initially issued ten licenses targeted at economically challenged areas like Elgin and Aurora.
- Casinos moved off the water in 2016.
- Rockford missed early opportunities after the community could not decide on issues of location, revenue split and benefits. From 1990 to 2019 Rockford missed 30 years of benefits and revenue. After a tight 90-day RFP deadline to submit and approve one proposal.
- Hard Rock was selected and is seen as a professional and high-quality operator.
- The City hired an attorney specializing in gaming to support the process.

Ritter – Gaming in Broward County

- Florida has both native and non-native gaming.
- The Seminole Tribe has been granted certain state tax exclusivity for specific types of gaming in Florida, in exchange for revenue sharing payments to the state.
- Parimutuel gaming includes horse and dog racing, slot machines, and cardroom poker, and are regulated by the state and generate \$3 million a year.

- The Hard Rock Resort alone has generated \$2 billion in economic activity since 2019 and donated over \$4 million to local nonprofits.
- It is the only local facility with a sports book.
- Florida's single-state lottery supports only public education.

Gast asked each panelist to give an overview of “the next big thing” they are working on for their city.

- Groh (Rockford):
 - \$8M in gaming revenue going toward arts, culture, and a nonprofit community foundation.
 - Funds also earmarked for police/fire services and full-tuition public school graduate scholarships.
 - Continued investment in trails and riverfront development.
- Herrell (Quad Cities):
 - Riverfront development and launch of sailing experiences through partnerships with global enterprises like Viking.
 - \$100M expansion projects at Rhythm City Casino Resort and Bally's Quad Cities.
 - Additional support is anticipated from Iowa Governor Kim Reynolds for destination development.
- Ritter (Fort Lauderdale):
 - Convention Center expansion and new headquarters Omni Hotel.
 - Over 525,000 sq ft of new meeting space and 801-room hotel.
 - New dining and water taxi access to host large-scale events.
 - Scheduled to open September 2025—largest project in Broward County.

Gast thanked the panelist and opened for questions from the audience.

Stewart asked Groh regarding the 30-year missed revenue opportunity mentioned earlier and if he had a projected dollar amount for the lost revenue.

- Groh responded that he did not have a specific number, but it would include 30 years of missed transformational opportunities. The difference can be seen in the nearby cities downtown areas who were able to invest those dollars about 20 years before Rockford. He added that during that time Rockford saw higher rates of unemployment, crime, and disinvestment. There was a 30-year drag on missed opportunities that many of their competitors were able to take advantage of.

Board member Anthony Buttafuoco thanked the panel and asked how transient bookings perform, specifically looking at the drive markets, and how they have partnered with hotels to elevate occupancies during the off times vs major focused times.

- Herrell replied that the Quad Cities are in a drive to market, airlift is a big challenge and something that they are trying to overcome. The value profit is that the Quad Cities are easily accessible, and they are fortunate with their relationships with hotel partners. Group business is fabulous Monday – Thursday, but the weekend leisure traveler is vitality important. They have seen steady growth on the group side, specifically with the smaller markets. From a casino perspective, during the pandemic Iowa was not as restricted as many other cities, which helped maintain some consistency and helped fortify relationships to drive an increase in business opportunities.

- Gast asked Groh to speak on the relationship with Rockford's sports facilities because it is very different from what is seen in Irving. Groh added that Rockford is different where weekend business is always higher than weekday business and that is driven by amateur youth sports, and it has been since the late 80's. There is a strong corporate market, driven by the nearby aerospace companies, but weekday business remains a challenge. There is currently no large conference center, but it is a topic under discussion. Rockford has built multi-use indoor and outdoor spaces to generate and keep traffic throughout the year and has raised their hotel occupancy tax by 2% county wide.
- Herrell mentioned that having the Rock Island Arsenal in the Quad Cities has brought visitors from all over the United States. There is one person on the Quad Cities team that is dedicated to military reunions. It has evolved into an interesting and active market.
- Ritter replied that prior to the pandemic 50% of Fort Lauderdale visitors drove into the city. During the pandemic Florida opened completely in May 2020 which brought a noticeable increase in out-of-state tourism. This broader reach has benefited everyone along the corridor. Hotels are investing in renovations to attract and accommodate this new wave of travelers.

Guest Clem Lear asked the panelist what the hotel occupancy tax rate is in each city.

- Ritter replied that the Fort Lauderdale hotel tax rate is 6% and 6% sales tax, with the sales tax going to Florida. The total tax for a hotel guest is 12%. She added that the state tourism agency, Visit Florida, is funded by the legislature through general revenue and in membership dues.
- Groh replied that the Rockford hotel tax rate is 14%, with 6% going to Illinois.
- Herrell added that in Iowa's hotel tax is 12% and 13%, with 5% going to Iowa and it can max up to 7% for a local municipality.

COMMITTEE CHAIR REPORT AND STAFF COMMENTS

Gibson thanked the panel and noted the PUD 6 development is a key opportunity site in the City's Comprehensive Plan, the Economic Strategic Plan, and the ICVB 2021-2026 Strategic Plan.

CONSIDERATION OF BOARD RESOLUTION IN SUPPORT OF OPPORTUNITIES FOR THE CITY OF IRVING AT PLANNED UNIT DEVELOPMENT 6.

Gibson asked for a motion for the Destination Development Committee to advance a resolution to the Board in support of opportunities for the City of Irving for the PUD 6 development. On a motion from Cooperstein and a second from Board Member Herb Gears, the motion for the passed unanimously.

ACTION ITEM: Stewart noted that the Resolution will be added to the February 24, 2025 Board meeting agenda.

The next Committee meeting is scheduled for May 13, 2025.

With no further discussion, the meeting was adjourned at 1:25 p.m.

Respectfully submitted,



Maura Allen Gast, FCDME
Executive Director