



# Orange County Tourist Development Tax Overview



**2021 Budget Work Session**

**July 6, 2020**



# Presentation Outline

**1. TDT Funding**

**2. OCCC Expansion Projects**



# Presentation Outline

**1. TDT Funding**

**2. OCCC Expansion Projects**



# TDT Background - Uses

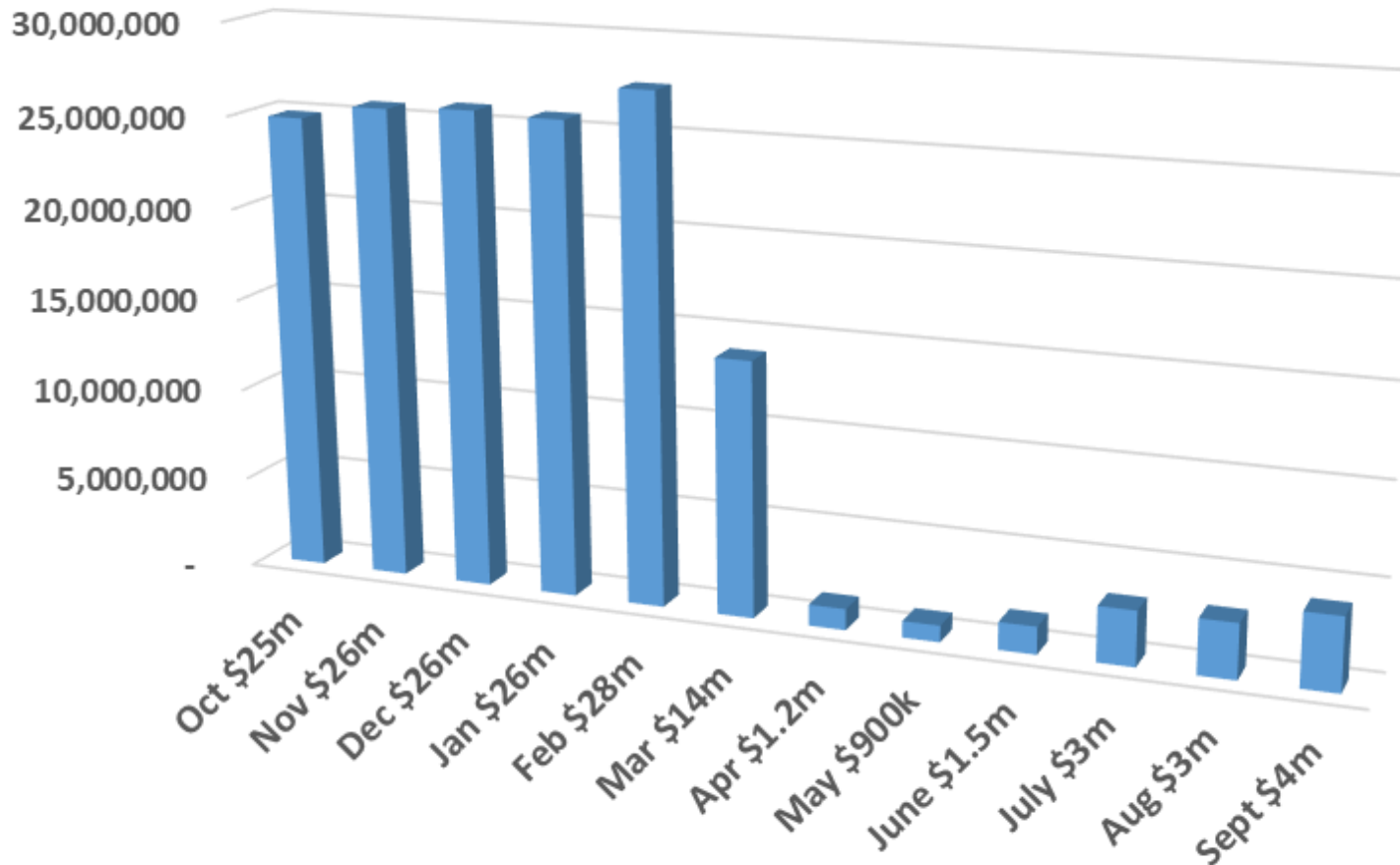


- **6<sup>th</sup> % split for Amway and tourism promotion**
- **5<sup>th</sup> % for OCCC debt**
- **1-4<sup>th</sup> %**
  - **OCCC, Venues, Arts & Sports, tourism promotion**
  - **Uses in TD Plan Ordinance**
  - **TDC recommendation and BCC Approval**



# 2020 TDT Revenues

FY2020 TDT Revenue by Month YTD (\$158.6m)







# TDT Reserves

*(in millions)*

**April 2020**

**Mandatory Debt Reserve**

**\$82.2**

**Renewal & Replacement  
Target Reserve**

**60.9**

**Required TDT Reserves**

**\$143.1**

**Excess TDT Reserves**

**181.3**

**Total TDT Reserves**

**\$324.4**



# TDT Revenues

**FY 2019 TDT collections were \$284 million  
(all 6 percent of TDT)**

**FY 2020 TDT revenue expected approximately \$150 million**

**FY 2021 TDT revenue budget is \$150 million**





# Tourist Development Tax

<b>Expected TDT Uses (millions):</b>	<b>FY 21</b>	<b>FY 19</b>
Debt Service	\$ 76.0	\$ 76.0
Convention Center Operations ( <i>if needed</i> )	40.0	3.0
Visit Orlando Funding	41.0	65.0
Convention Center Capital	35.0	35.0
Arts	15.0	5.0
History Center & Other	4.0	3.0
Sports Incentive Fund	4.0	2.0
6 <sup>th</sup> Percent Amway Payment to Orlando	12.5	24.0
<b>Total Expenses</b>	<b>\$227.5</b>	
<b>TDT Reserves Drawdown or Deposit</b>	<b>77.5</b>	<b>71.0</b>
<b>2021 TDT Revenue needed</b>	<b>\$150.0</b>	<b>\$284.0</b>





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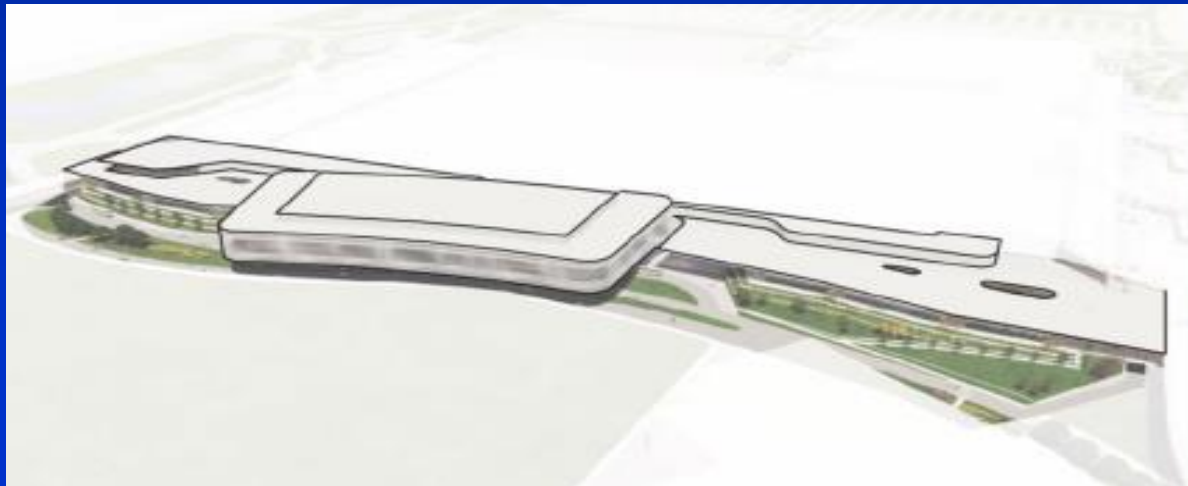
1. TDT Funding

**2. OCCC Expansion Projects**



# OCCC Projects

- **COVID-19 has reduced TDT levels**
- **Existing TDT will be used to complete design**
- **Construction will be on HOLD until TDT collections recover and stabilize**





# OCCC Projects

## OCCC Expansion Design:

- **Completion in 2021**
- **Design work 45% complete**
- **Total Design Contract \$39.8M**
- **Complete design with TDT reserves to be ready to participate in a recovery**





# OCCC Projects

## OCCC Expansion Construction

- **Original expansion plan not currently possible**
  - ✓ **Must hold off construction until TDT collections recover and stabilize**
  - ✓ **Delay any borrowing until financial risks are overcome by recovery**
  - ✓ **Will come back to BCC at a future date**







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***Orange County Convention Center***

**FY 2020-21  
Budget Work Session**

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# Presentation Outline

- **Organizational Chart**
- **Proposed FY 2020-21 Budget**
- **Accomplishments**
- **Budget Overview**
- **Capital Improvement Program**
- **Summary**

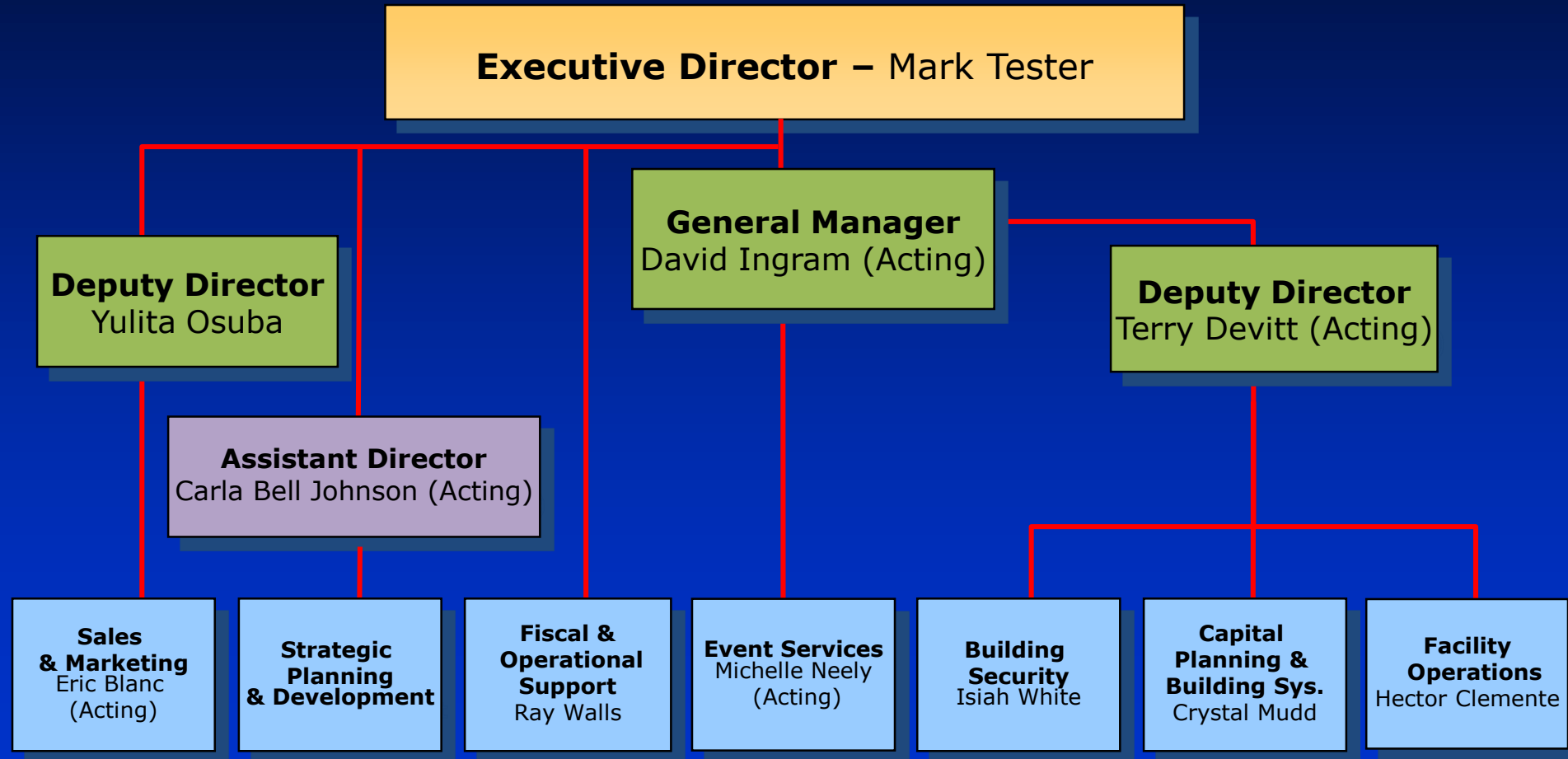


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# Organization Chart





# Presentation Outline

- Organizational Chart
- **Proposed FY 2020-21 Budget**
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# Proposed FY 2020-21 Budget

	<u>Current FY 2020</u>	<u>\$ Change</u>	<u>Proposed FY 2021</u>
Personal Services	\$39.9M	\$0.3M	\$40.2M
Operating Budget	<u>\$51.7M</u>	<u>(\$7.3M)</u>	<u>\$44.4M</u>
Total	\$91.6M	<b>(\$7.0M)</b>	\$84.6M
Budget Change			<b>(7.6%)</b>
Staffing	472	0	472





# Proposed FY 2020-21 Budget

	<u>Current FY 2020</u>	<u>\$ Change</u>	<u>Proposed FY 2021</u>
<b>Capital Improvement Projects</b>	<b>\$185.1M</b>	<b>(\$35.7M)</b>	<b>\$149.4M</b>
<b>Budget Change</b>			<b>(19.3%)</b>



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# Accomplishments



**Responsible for  
Nearly 30,000  
Jobs**

**Supports Over  
1,200 Local  
Businesses**

**\$3 Billion Annual  
Economic Impact**





# Accomplishments

**FY 2018-19**

**\$3 Billion  
Economic Impact**

**1.5 Million Total  
Attendees**

**170 Total Events  
119 Conventions/  
Tradeshows**





# Accomplishments

- The OCCC and Our Clients are Committed to Corporate Social Responsibility Efforts
- Donated Over \$2.3 million Worth of Goods to Local Charities







# Accomplishments

**FY 2019-20 Pre-COVID**

**WELCOME**

**PGA**  
2020 MERCHANDISE SHOW  
The MAJOR of Golf Business

The MAJOR of Golf Business

**\$2.9 Billion  
Economic Impact**

**1.4 Million Total  
Attendees**

**143 Total Events  
102 Conventions/  
Tradeshows**





# Accomplishments

- **October to December 2019:**

**36 events | 290,000 guests | \$656.2 million**

- **Grace Hopper | 24,400 attendees | \$62.8 million**
- **Workday Rising | 14,000 attendees | \$35.9 million**
- **IAAPA | 42,000 attendees | \$107.8 million**
- **I/ITSEC | 17,000 attendees | \$44.7 million**
- **American Society of Hematology | 30,000 attendees | \$77 million**





# Accomplishments

▪ **January to March 2020:**

**35 events | 331,000 attendees | \$740 million**

▪ **PGA Merchandise Show | 40,000 attendees | \$102.7 million**

▪ **Surf Expo | 28,600 attendees | \$73 million**

▪ **AHR Expo | 50,600 attendees | \$130 million**

▪ **Global Pet Expo | 17,000 attendees | \$44 million**

– **Through sustainable waste diversion practices, exhibitors donated approximately \$25,000 worth of goods to the Pet Alliance of Greater Orlando.**







# COVID-19 Update

**FY 2019-20 Post-COVID**

**\$1.5 Billion  
Economic Impact**

**0.6 Million Total  
Attendees**

**93 Total Events  
55 Conventions/  
Tradeshows**





# COVID-19 Update

- **Since March 2020:**

- **Handled More than 40 Event Cancellations with an Estimated Lost Economic Impact of Over \$950 million**

- **Largest Event Cancellations Include:**

- **HIMSS20 Global Health Conference & Exhibition | 44,000 attendees | \$110 million**

- **American Academy of Orthopedic Surgeons | 30,000 attendees | \$77 million**

- **American Dental Association 2020 Annual Meeting | 26,250 attendees | \$67 million**

- **SAPPHIRE NOW and ASUG Annual Conference | 22,000 attendees | \$56 million**



# COVID-19 Update

- **Successfully Rebooked Nearly 30 Events with an Estimated Economic Impact of Almost \$450 million**

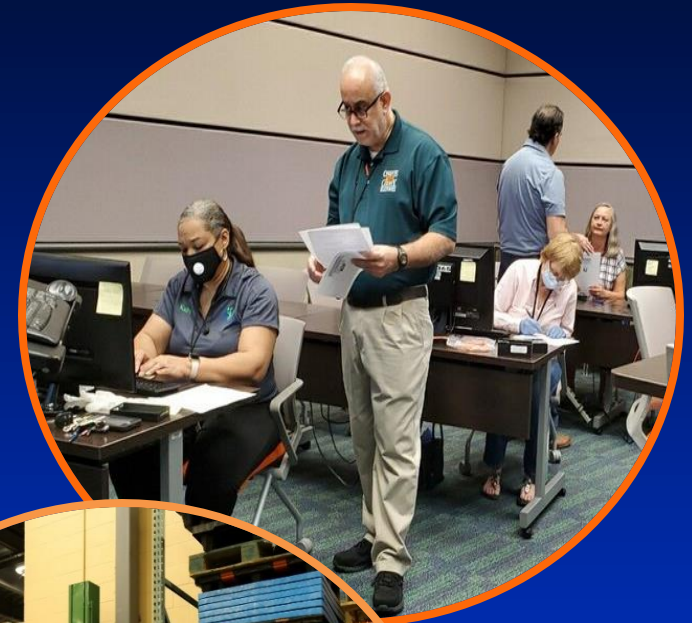


Image: Courtesy of IAAPA



# COVID-19 Update

- **Reassigned Employees to Assist with the County's COVID-19 Response**
  - CareerSource Call Taking for Unemployment
  - POD Small Business PPE Distribution Program
  - CARES Act 311 Assistance
  
- **Worked with ISS to Establish Work-From-Home Solutions for Nearly 100 Employees**

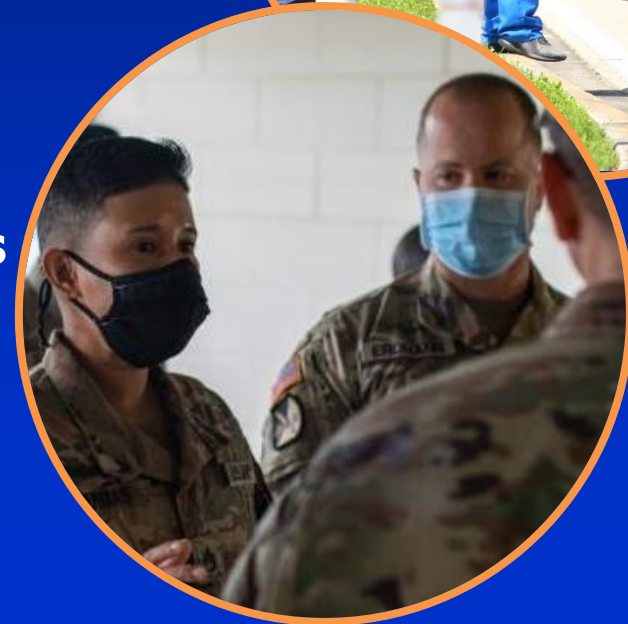






# COVID-19 Update

- **COVID-19 State-Run Collection Site at Destination Parking Garage began on March 25, 2020**
- **As of End of June:**
  - **More Than 50,000 People Have been Tested**
  - **More Than 8,000 People Tested for Antibodies**





# COVID-19 Update

- **Sanitation and Preparedness Measures**
  - Participation in the Global Biorisk Advisory Council® (GBAC) STAR™ Accreditation Program
  - Enhanced Sanitation and Cleaning Procedures
  - Continue to Procure Equipment and Supplies for Sanitation and Cleaning Effective Against COVID-19





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# Budget Overview

**FY 2020-21**

**\$2.9 Billion  
Economic Impact**

**1.3 Million Total  
Attendees**

**99 Total Events  
85 Conventions/  
Tradeshows**





# Budget Overview

- **Budget Reflects a Potential Reduction in Event Sizes and Less than Normal Events in the First Quarter**
- **All Non-Essential Expenditures Delayed**
- **Variable Expenditure Budgets Reduced**
- **No Additions to Staffing**



# Budget Overview

- **Continue to Evaluate Expenditures that Increase Client/Public Safety and Confidence**
- **Steps Taken to this Point in Response to COVID-19:**
  - **OCCC Recovery & Resiliency Guidelines**
  - **Collaboration with Major Local Healthcare Systems**
  - **Working with Each Client to Develop Customized Plans**



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# Capital Improvement Program

- **FY 2020-21 COVID-19 Impacts**
  - **Complete Design Process for Projects Currently in Design**
  - **Complete Construction for Projects Currently Underway**
  - **Delay New Construction Projects Until TDT Collections Stabilize**
    - **Continue Critical Infrastructure and Life-Safety Projects**



# Capital Improvement Program

- **Key Objectives:**

- **Replace Aging or Obsolete Infrastructure**
- **Maintain Existing Business**
- **Capture New Business**
- **Maximize Space Utilization**
- **Improve Competitive Stance**





# Capital Improvement Program

## ▪ Projects in Design:

- Campus Diesel Tank Replacement
- Campus Roadway & Parking Upgrades
- Campus Dry Sprinkler Pipe Replacement
- Campus Remote DMS Signage Upgrades
- Campus Lighting and Controls
- Admin Office Remodel



**10 Projects | \$97.6 million**





# Capital Improvement Program

## ▪ Projects in Progress (Bid & Construction):

- OCCC Food Service Renovations
- OCCC South Toll Access/Tradeshow Blvd.
- West Building Meeting Room Upgrades
- West Building Networking/Wellness Rooms
- West Building Roof Replacements
- N-S Access Control Replacement
- N-S Building Envelope Coating
- N-S Building Automation System Upgrades
- N-S Smoke Control System Upgrades

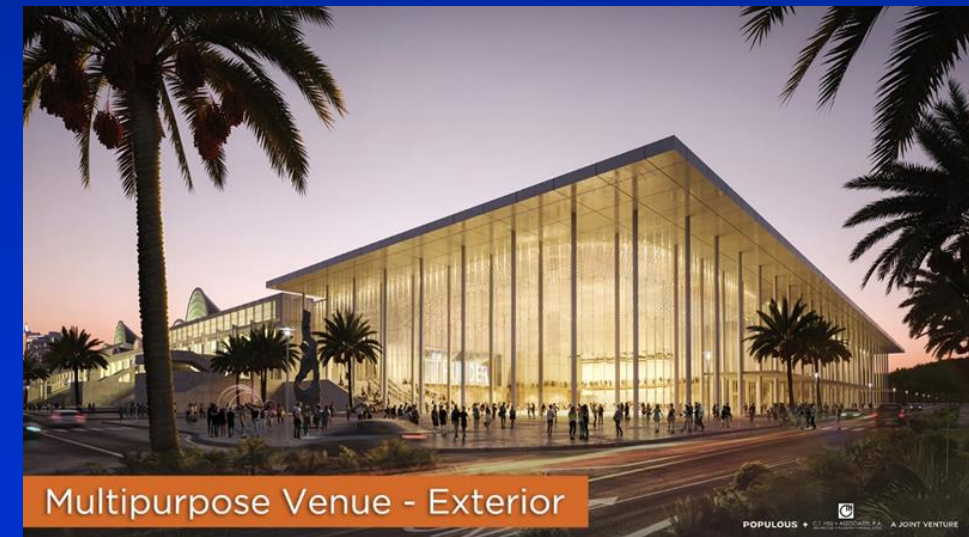


**38 Projects | \$71.2 million**



# Phase 5A Expansion

- **Work Session held with BCC on June 23, 2020**
- **Design continuing on schedule**
- **Monitoring Tourist Development Tax collections**
- **Will continue to evaluate and bring forward construction options at a later date**





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# Summary

- **Adjust Budget According to Business Activity**
- **Agile Response to COVID-19 Situation**
  - Implement Services, Equipment, and Procedures
  - Assist Overall County Response
- **Finish Design of Projects in Progress and Delay Construction of Most Renovations**
- **Bring Back Stage 5A Construction Plan**



***Orange County Convention Center***

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