DOWNTOWN
DEVELOPMENT AUTHORITY
P.O. Box 2451 ♦ DAYTONA BEACH, FL 32115-2451 ♦ (386) 671-8180

AGENDA

Tuesday, April 24, 2012 8:00 a.m.
Conference Room 149B

NOTICE – If any person decides to appeal any decision of the Downtown Development Authority at this meeting, they will need a record of the proceedings. Interested persons may wish to ensure that a verbatim record of the proceedings before the Board is made, including any testimony or evidence presented to the Board. The City does not prepare or provide a verbatim record of Board proceedings.

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1. **Call to Order**
2. **Roll Call**
3. **January 24, 2012 Meeting: Item #7 Funding Approval: Valentine's Day Promotions – Revocation of second and vote by Joe Hopkins**
4. **Approval of Minutes: March 27, 2012**
5. **Quarterly Budget Report**
6. **Farmers' Market Update**
7. **Marketing Tactical Plan**
8. **Downtown Daytona Beach Website**
9. **Staff Update**
10. **Public Comments**
11. **Adjournment**

DOWNTOWN DEVELOPMENT AUTHORITY
MINUTES
Tuesday, March 27, 2012

A meeting of the Downtown Development Authority was held Tuesday, March 27, 2012, at 8 AM in Conference Room 149B of 301 S. Ridgewood Avenue, Daytona Beach, FL. The following people were present:

Board Members

Mr. Robert Abraham, Chairman
Ms. Sheryl Cook
Ms. Kelly White
Ms. Stacey Lipton
Mr. Joseph H. Hopkins

Staff Members Present

Mr. Jason Jeffries, Redevelopment Project Manager
Mr. Bob Jagger, Deputy City Attorney
Ms. Kathie Eichinger, Finance Director
Ms. Jeanne Tolley, Redevelopment Technician
Mr. Reed Berger, Redevelopment Director
Ms. Dana Williams, Recording Secretary

1. Call to Order

Mr. Abraham called the meeting to order at 8:10 AM.

2. Roll Call

Ms. Williams called the roll and noted members present as stated above.

3. Approval of Minutes:

a) November 22, 2011 regular meeting

Ms. Lipton noted a correction on page 11 of minutes (pg 12 of 75 of the packet), the 6th paragraph "Ms. Stelling asked Ms. Lemke if when she worked….", but it should read "Ms. Lipton asked Ms. Lemke if when she worked…."

Mr. Hopkins made a motion to approve the minutes of November 22, 2011 as amended. Ms. Cook seconded the motion and it was approved unanimously (5-0).

b) January 24, 2012 regular meeting

Ms. Cook noted spelling corrections on pages 24, 35, and 36. She also pointed out a discrepancy on pages 27 and 29 where Mr. Hopkins had stated a conflict of interest yet the vote was recorded as 5-0.

Ms. Lipton asked about a breakdown of financials related to the Art of the Automobile event. She added concern that the event was two months out with only one meeting before then and the Board was donating $11,000 with little known as to how the money would be spent.

Mr. Jeffries responded all figures were not yet finalized but he would email the details to the Board members when available. He noted that $5-6,000 would be used for the permit fees and advertising for the majority of the remainder. He cited the expenditure was approved at the January meeting and included an overview and breakdown of spending estimates in that packet material.

Ms. Cook made a motion to approve the minutes of January 24, 2012 as amended. Ms. Lipton seconded the motion and it was approved unanimously (5-0).

c) February 28, 21012 regular meeting

Referring to page 43, Ms. Cook asked if Bright House had confirmed their advertising commitment.

Mr. Jeffries stated they had not, but he was working with them and hoped to finalize it in the next two days and he would email the Board when the information was complete.

Ms. Lipton asked if all bills had been submitted and paid relating to the Wine ‘n Chocolate Walk.

Mr. Jeffries stated yes and the City would receive all documentation from Bullseye as backup.

Ms. Lipton felt because the event was billed as a fundraiser all related materials should state what percentage would go toward the organization being advertised as the recipient. She continued that promoting it as a fundraiser helped to push sales and that there were twenty merchants on the street each of which contributed $100 towards the event, yet there was no information forthcoming.

Mr. Abraham stated that on a case-by-case basis, if an event was going to be billed as a fundraiser, the Board could require whatever information it wanted on the promotional materials.

Mr. Jeffries stated as Gold & Associates completed the tactical plan, the marketing plan for next year, and how it interacted with which events would be supported, he might suggest revisions to the event criteria. He stated that if the Board still wanted to support the Halifax Art Show and other key events, he would include a call out to those events as the budget preparations began and for what was in line with the tactical plan.

Mr. Abraham added that if an event was going to be promoted as a fundraiser, there was a need for transparency so that people understood how much was being spent on fundraising.

Ms. Cook made a motion to approve the minutes of February 28, 2012. Ms. Lipton seconded the motion and it was approved unanimously (5-0).

4. <u>Review of FY2010-11 DDA Financial Report</u>

Mr. Jeffries stated that over the past 10 years, the finances had been very simple but with more activity occurring within the DDA, combined with the cash business of the Farmers' Market, there was increased need to have a careful review of the finances and how the accounting interacted with the City's financial policies and guidelines. He stated the DDA was an independent board however it utilized the City's accounting system and must comply with the established financial accounting procedures. He stated the City's internal auditor can review the financials or request additional documentation for an expense/revenue.

Mr. Jeffries presented the Statement of Activity on page 54, referring to various figures related to budgeted vs. actual dollar amounts. He also reported the ending fund balance was approximately $46,000. He introduced Ms. Eichinger who could address any specific questions from the Board.

Mr. Abraham suggested cash flow figures be included since that was what people understood.

Ms. Cook asked if the Farmers' Market would be included in the statement.

Mrs. Eichinger stated the Market would be in the DDA section but not separated from the other activity or expenses.

Mr. Abraham stated the Farmers' Market would be combined with other revenue and expenses on the City's financials, but the Board would receive a separate report on Farmers' Market activity from Mr. Jeffries.

Mr. Jeffries clarified that in accordance with the Board's contract, a separate accounting for the Farmers' Market would be prepared at year end; however in terms of the City's audit, the Farmers' Market would be summarized. He also added that when the actual budget was adopted, the Board would see the Farmers' Market vs. general activities.

Ms. Lipton asked when the Board would see projected budget numbers for the next year; whether there was a projected drop or a flattening out for the upcoming year.

Mr. Jeffries stated the City had already begun the budget process and the first draft would be brought to the Board in May or June, although there may be some figures available at the next meeting.

Ms. Eichinger stated the budget was currently based on revenues remaining the same but there may be a slight drop, but all in all she expected it to flatten out.

Mr. Abraham stated that Morgan Gilreath had indicated he thought it was leveling out. Although values may drop it would not be as much as in past years.

Mr. Jeffries added the east side of Volusia County was leveling off and slightly increasing. He stated that Mr. Gilreath was looking County-wide but there was a difference between the Coast and the west side of the County where there were still significant drops in Deltona.

Mr. Abraham stated that Mr. Gilreath had said Deltona was still dropping, Deland was very stable and Daytona Beach was not quite at the bottom but he was not specific about areas such as Downtown or particular neighborhoods.

Ms. Eichinger stated that controls had been established to account for the reporting of revenues and expenses; and that the auditors performed random samplings to ensure proper signatures, purchase orders, approvals etc. had been secured. She stated the same regulations applied to revenues with cash transactions so it was important to follow the financial procedures.

5. Farmers' Market Update

Mr. Jeffries presented the cash flow report as presented on page 56, noting the figures were current through March 21, 2012. He pointed out the revenues were tracking above what was projected and expenses were a little under what they should be, with a surplus of approximately $1,900. He stated the commitment was to break even with revenues generated being put back into the Market.

Ms. White asked if the original projections of the Market were for the entire fiscal year.

Mr. Jeffries stated it was for January through September 30th and it appeared the Market would exceed what was projected although they had yet to enter the slow months of the summer.

Ms. Cook asked if Cheryl Kelley had spent any money or purchased signage.

Mr. Jeffries stated that the expenses in the report were purchases he or Jeanne Tolley had made for Ms. Kelley. He stated that the $557 marketing expense for the News Journal was for ads running on Thursday and Saturday. The $144 expense was for tables and chairs that he and Ms. Tolley had purchased and $51 was for supplies such as cash bags.

Ms. Cook asked if any other expenses had been submitted for signage.

Ms. Tolley stated no.

Mr. Jeffries stated that he and Ms. Tolley had spent $200 the week before for a market tent.

Mr. Abraham asked if there was booth merchandise for sale.

Mr. Jeffries stated no. The contract stated that the Board was to approve items to be sold so Ms. Kelley was to present the items and prices to the Board.

Ms. White stated the merchandise to be sold was to have a logo and they needed to settle on a logo.

Ms. Lipton asked if Ms. Kelley had ads running in the Hometown News.

Mr. Jeffries stated that part of the contract was to coordinate marketing so he had left that up to Ms. Kelley but when he asked about it, he did not get a response. He stated that most media companies wanted cash up front or a purchase order but Ms. Kelley could arrange for the ads then he would work with her to set up payment.

Mr. Abraham referred to the memorandum from Paul Wetzel, staff designated by the City Manager, to coordinate oversight of the license agreement, which related to three issues of concern at the Farmers' Market. He noted the first issue concerned vendors exceeding the boundaries of the leased area of the Market onto the sidewalks which in turn forced customers into the street and encroached onto the Rights-of-Way (ROW) thereby impeding traffic flow.

Mr. Jeffries presented the layout from Magnolia Avenue crossing the bridge onto City Island showing where tents were set up on the sidewalk which forced pedestrians into the street which created a safety issue as well as one of liability.

Mr. Berger stated the only way to circulate around the Market was to go around on the sidewalk or be forced out into the street if tents were in the way which was what was happening. He stated that there was two-way traffic as well as people turning in and out of the Library and looking different ways so they may not see people walking in the street.

Mr. Abraham stated that was a function of someone being there when vendors arrived in the morning to set up. He stated that the problem might be that nobody was there to direct the operation that early and that was Ms. Kelley's job so they needed to coordinate with her to be sure that was done.

Ms. Cook stated the vendors were the same and nobody's location had been changed since the beginning when Ms. Kelley relocated noncompliant vendors to the back.

Ms. White stated that the vendors on the sidewalk were prepared food vendors. She stated that when the management tent was set up it would be in that area so she thought vendors were placed strategically in that area for visibility.

Mr. Jeffries agreed that it was to create a front but there may be other ways to approach it. He stated it was the City's opinion that area was outside the lease area.

Mr. Berger stated that even if it was part of the leased area the issue was safety.

Mr. Jeffries stated the DDA's concern was also safety and liability.

Mr. Abraham stated the issue was how to resolve the issue with Ms. Kelley. He wanted to be sure the Board's message was clear and asked if they simply said no vendors on the sidewalks if that would solve the problem or if they needed to do something else.

Mr. Jeffries stated the Board could ask for a redesign of the set up to create a front for the Market and bring it back to the Board for approval but it was up to the discretion of the Board.

Mr. Abraham stated that he was happy with whatever layout the City Commission and City Manager were happy with because the DDA leased the property from the City. He stated that the vendors would not need to move far to be moved off the sidewalk but they needed to move.

Mr. John Nicholson, 413 N. Grandview Avenue, stated landscaping may not be a concern for the Board but it was a concern for residents. He stated there used to be trees in the islands and the vendors broke branches to make it easier to set up their tents so the trees were now gone. He stated there was supposed to be a solid wall of shrubbery so the vendors should not be allowed to put their tents over the shrubs.

Ms. Lipton stated that some vendors used the ground along the landscaped areas to anchor their tents, particularly on windy days. She asked if there was anything included in the contract that specified ground cover should not be disturbed.

Mr. Hopkins stated he had concerns about the way the Board communicated with Ms. Kelley and the way she communicated with the Board through the City. He stated the emails he reviewed from Ms. Kelley corresponding directing with Paul Wetzel he thought was inappropriate and he would like to see the Board give her direction not to bypass them and communicate directly with senior City staff. He stated that any communication should go to the Board and if action was to be taken the Board needed to provide it. He stated he was disappointed that so much effort was put into that communication to Mr. Wetzel and the context of it and the temperature of it was less than appropriate and was a poor reflection on the guidance of them as a Board controlling their manager because she was their manager. He stated he thought the Board needed to give Ms. Kelley specific direction so it does not happen again.

Mr. Abraham stated he, Mr. Wetzel, Mr. Berger and Mr. Jeffries had met with Ms. Kelley and the issue had been addressed and resolved. He confirmed with the Board it was their consensus to provide her instruction that vendors not be allowed to set up on the sidewalks or to disturb/destroy vegetation.

Mr. Abraham noted the hours of operation, including set-up and breakdown, which were contained in the agreement and asked what time vendors began to set up.

Mr. Jeffries stated some of the long term vendors began as early as 4 AM. New vendors arrived between 6:30 and 7:00 so it was important for Ms. Kelley to be on site to assist them. He stated that he had visited the Market at different times and on different occasions when Ms. Kelley was not present but he had not kept notes or any kind of attendance records. He added that once he visited the breakdown of the Market and Ms. Kelley was not on site. He stated he wanted to be sure the area was being cleaned and there were no conflicts with the Cubs, particularly as their season began. He stated that in the past Cubs employees had to clean up after the Farmers' Market to insure the parking lot was clean for their customers.

Mr. Abraham stated it should be examined from a function point of view rather than one of hours. He stated that Ms. Kelley needed to be reminded that someone needed to see that the vendors were set up correctly before the Market opened, to make sure the cones were out and vendors were properly located. He stated he wanted to ensure the vendors maintained hours they committed to keep, that the management booth was manned and breakdown was properly handled.

Mr. Jeffries agreed, saying that if Ms. Kelley were to get the management booth set up, volunteers could keep it manned so that she could circulate through the Market to ensure all operations were going smoothly.

Mr. Abraham agreed and stated they needed to see that the functions were being performed according to the contract.

Ms. Cook stated she agreed with Mr. Hopkins' comments and asked if Ms. Kelley's direct point was Mr. Jeffries or Mr. Wetzel.

Mr. Abraham stated her direct line was to the Board, through Mr. Jeffries. He stated that the Board was responsible to the City Commission and the City Commission communicated to the Board through the City Manager whose coordinator was Paul Wetzel.

Ms. White asked if there had been any other issues other than the sidewalk and people not setting up correctly. She stated Ms. Kelley needed to focus on function and that in not being a direct employee of the Board, care needed to be exercised when managing her. She added there needed to be flexibility in order to accomplish the objectives which had been laid out.

Mr. Jeffries stated he had not received any complaints from the Cubs.

Ms. Cook stated the Cubs were just beginning their season.

Mr. Jeffries stated the DDA, in the past, had concerns about how the Market presented itself and where certain vendors were placed. The Board had indicated that new vendors should be placed in the back until they had proven themselves. He stated that standards had been set for the DDA and staff as well as the expectations of the City Commission.

Ms. White stated when she had been to the Market it was packed with customers and there had been positive changes and it was apparent that the results were speaking for themselves. She stated that it seemed there was more direction to vendor set up than there had ever been.

Ms. Lipton asked if the Board would agree to allow Ms. Kelley to put signage in the medians to direct customers to certain vendors.

Mr. Jeffries stated there would not be a problem with having small signs.

Mr. Scott Chesley, 140 S. Beach Street, pointed out Ms. Kelley may be putting in hours such as the evenings prior to the Market opening to delineate spaces. He felt that to require her attendance from 6 AM – 2 PM puts her at a disadvantage as far as the ability to perform her responsibilities. He stated she should be leaving the property from time to time in order to view its entrances and appearance from varying angles and direction. He added that if the Board had issues they should simply convey those issues to Ms. Kelley and allow her to work through them, but limiting her or tying her to one location was not the answer.

Mr. Abraham stated the third issue in Mr. Wetzel's memo related to vendor information and schedules. He stated it could be resolved by having copies of the vendor contracts on file with the City.

Ms. Lipton suggested that a floor plan be provided. She stated that if Ms. Kelley had an emergency and someone needed to step in and handle set up and direction that person would need to know the layout of the Market.

Mr. Abraham agreed and stated there needed to be a category of vendors in order to monitor compliance with the license agreement. He also stated that in spite of Mr. Wetzel's comments, which were relatively mild, the Market seemed to be doing very well. The Market was crowded, people were buying and there was a very positive atmosphere overall.

Ms. Lipton asked if there was enough room at the current location to bring in additional vendors or if it was maxed out.

Mr. Jeffries stated the Market was not maxed out. He stated the current design was set up in a semi circle and it had been discussed, as the Market grew, a second row of vendors could be added. He stated that many vendors were leaving their cars next to their tents so Ms. Kelley would need to work on getting them removed which would provide space for the management tent and additional vendors.

Mr. Abraham stated Ms. Kelley had a copy of Mr. Wetzel's memo and while unsure of her reaction, he wanted to make certain she understood that the Board was looking for function rather than an accounting of her time on item #2. He stated for item #3, the Board needed copies of the contracts and her help in categorizing the vendors and the Board appreciated the job she was doing.

Mr. Hopkins asked if it would be out of context for Ms. Kelley to attend DDA meetings, so they could have those discussions and give her input rather than give Mr. Jeffries information and have him give the information to her.

Mr. Abraham stated it would have been good for her to be at the meeting, but she had expressed concern about the number of hours she was putting in so he and Mr. Jeffries told her it was her choice whether or not to attend and she opted not to.

Ms. Cook asked if Ms. Kelley's pay was based on a number of hours specified in the contract.

Mr. Jagger stated her pay was 45% percent of the rents collected.

Mr. Abraham stated it was not an hourly pay contract and that she viewed it as a part time position so there was a limit as to what the Board could impose.

Mr. Jeffries stated that Ms. Tolley and himself were available for assistance to Ms. Kelley. He asked how the Board would like the points of clarification conveyed to Ms. Kelley.

Mr. Abraham asked Mr. Jeffries to draft a response for his signature.

6. Marketing Tactical Plan

Prior to discussing the Tactical Plan, Mr. Jeffries asked the Board to consider a logo for the Farmers' Market. He stated he had briefly talked with Mr. Gold and showed him the two logos currently available in order to get his thoughts on what would be a good logo for the Market. On the first page of the handout were the current logos, the one on top being a holdover from the Farmers' Market Committee and DBPA. The bottom logo was received from Ms. Kelley as something she had commissioned unofficially. The remaining pages showed various designs drafted by Gold and Associates for the Board's consideration. He added if the Board could decide on a logo, he would get them on banners to be placed alongside the Cubs' banners on City Island.

Mr. Keith Gold, Gold and Associates, explained his three proposed designs, attached hereto and made part of the record. He stated he wanted something simple but that would grab attention. Describing the first design, he stated he had incorporated the pineapple, a welcoming symbol and the sunset and water, both components of the City, but also he had picked up on the rich, bold colors from the DDA logo so as to be compatible and incorporate it with the DDA.

The second design was to catch people's attention with Downtown architecture in the background and water in the foreground. Mr. Gold also stated the rooster symbolized the farmers' aspect although it could be changed to anything the Board felt would be appropriate.

Mr. Gold described the third proposed logo as "something fun" which featured fruits and vegetables from the area; and a clear statement of a Farmers' Market with no waterfront focus.

Ms. Lipton expressed her like for the pineapple logo, particularly the graphics, colors, and design although she did not like what was beneath the pineapple. She thought the second design had a historic feel although she did not like the colors.

Mr. Hopkins thanked Mr. Gold for his work but added he assimilates with the top design of the current concept. He added that if he had to select one the other designs, he would choose the first or the second option, totally ruling out the third option.

Ms. White, referring to Gold's option #1, stated she liked the color scheme palette and the use of one thing which she viewed as iconic. As for the second design, she liked the "very classic" feel but did not think the rooster was representative of the Market. For option #3, she suggested using the color scheme from the first one. She also thanked Mr. Gold, saying each was very professionally done.

Mr. Abraham liked the colors in the first option, but the graphics in the third option.

Ms. Cook stated her initial preference was the third option but with the colors from the first. She felt the pineapple depicted in the first option was not right in that its top was not spread although she did like the water representation, the circular design and the color scheme.

Ms. Lipton thought the graphic properties of the second option provided a historic perspective, similar to the French Market.

Ms. White suggested using something other than the pineapple and more locally grown, although emphasizing she did not want to mimic Orange County.

Mr. Abraham stated his preference for a concept of more than one item, but he did not care for the pineapple. He also liked the lettering font of the second option but suggested the rooster be changed to produce of some sort.

Discussion followed on various features of a logo design including a historic vs. new, clean feel; contemporary font styles, the desire for a classic or contemporary image, whether it was to be a separate or incorporated component of the Downtown Development Authority, and the components of Daytona Beach such as the sunrise and water.

In summarizing the Board's preferences, Mr. Gold restated it was the consensus of the Board to incorporate the colors from the first option, the lettering style from the second option and the graphics from the third option.

Mr. Chesley added that whatever the Board ultimately decided on, they should imagine it hanging in the storefronts along Beach Street since the Market was designed to drive traffic Downtown and should fit in with the long-term plan of the DDA.

Mr. Gold presented the Tactical Plan and stated his major focus was the proposed survey and how important it would be to collect feedback in order to complete the Plan. He provided an overview of the meetings and data collection thus far, the design of the survey and how it would be distributed via an email blast including possibly offering incentives. He stated the survey began with basic demographic information, followed by awareness questions, then overall knowledge. He discussed the questions on survey and how each was designed to elicit responses to where visitors were from, what they did or saw, how much they spent, etc.

Ms. Lipton asked if the Downtown businesses' Facebook pages could be used to launch the survey.

Mr. Gold stated any survey on Facebook would need to be significantly shortened and that typically those users do not like to provide demographic information. He stated he would check with the internet "guru" of his company to determine any downside or technical drawbacks and would forward that response to Mr. Jeffries.

Ms. Cook expressed concern about the proprietary rights and confidentiality aspect of protecting her clients' email addresses. Referring to question #13, she also did not like the response of not feeling safe listed first and asked that it be reworded, moved down or removed from the list.

Discussion followed on the particulars of the survey questions and suggestions for list inclusions. Mr. Gold stated that the results could not provide "who said what" although responses would be grouped by zip code.

Mr. Jeffries presented information about the Directory (page 70 of 75 in the packet), saying once the next draft was ready it would be sent in a PDF format to the merchants for any updates. He also noted two bars would be removed from the list and that two new restaurants would be added. Once complete, information would be compiled into a map pad provided to each Downtown merchant.

Mr. Gold asked several questions including whether the DDA logo or the City of Daytona Beach header should be used and whether an inset map should be included to show where the Downtown area was in relation to the entire City.

It was the consensus of the Board to use the current branding, include a details' map, to remove two vendor names, add two new restaurants, and send it out to the merchants for their review.

7. <u>Downtown Daytona Beach Website</u>

Mr. Gold displayed the initial (web) site plan and stated that for search engine optimization, he did not combine the shopping and dining tabs as one. He stated that on a government website, a blog could be dangerous, so his suggestion would be to try and draw more user interaction through the social media components.

Mr. Chesley suggested not referring to it as a blog, but rather a "comment area", which could undergo editing. He felt pushing users off to a social media would detract them from staying and exploring the main website.

Discussion on the pros and cons of a blog followed. Some of the benefits were listed as conversational, interest, and providing a sense of community storefront. The downside included negative feedback could be posted without allowing for edits or control.

Ms. Lipton asked about the Downtown and Professional Services she had requested at the last meeting. She continued that the site was creating a disservice by not featuring those businesses.

Mr. Gold stated those were included under the DDA tab.

Mr. Jeffries explained the differences between business services (such as printing) and professional services (attorneys, CPA's) and the links available from the DDA website to the City's website. He also talked about the request for domain names and the availability for business partnerships which would show up on the website as a basic listing and to help offset the cost by generating revenue.

Mr. Gold agreed to include a tab for business and professional services and to move the calendar of events to each subsequent page. He also requested the Board consider a suggested pricing strategy if it was their desire to allow advertising on the website. He stated it would offer the merchants an opportunity to upsize their presence on the site via two or three different options and that once finalized, he would forward it to Mr. Jeffries for his comments and pass-through to the Board.

8. Staff Update

Mr. Jeffries updated the Board on the Redevelopment Boards' approval of a conditional use application for the Windy City Bar & Grill, for alcohol beverage service and sidewalk café.

Mr. Jeffries stated Bob Gibbs had met with merchants. He focused on cleanliness, updated storefront appears, removal of alcoves and outdated awnings, updating colors and signage, and overall renovations. He added that businesses with the most potential were more closely scrutinized. Mr. Jeffries displayed several slides of what Mr. Gibbs focused on and a more updated look from completed businesses or those from other cities.

Mr. Jeffries discussed enforcement issues had been raised and how staff was working more diligently to enforce compliance and violations. He continued that he would be doing an email blast to merchants with a recap of Mr. Gibbs visit, pointing out the issues to be addressed along with a friendly warning of more stringent enforcement to follow.

Ms. White suggested developing a retail best practices guide to assist people through the grant process and possibly focus block by block on issues such as canopies and awnings.

Mr. Jeffries stated Mr. Gibbs had reviewed the City's sign code and his recommendations would be presented in his final report. Other issues to be addressed included updating trash receptacles, an ISB update, reducing lanes and slowing traffic on Beach Street, parking meters, and lighting and signage for parking.

(Ms. White left the meeting at this point.)

Ms. Lipton stated she was against the installation of parking meters and quoted several comments received on the issue via her businesses' Facebook page.

Mr. Abraham agreed, saying he was against parking meters also and that people were not receptive to their use.

Mr. Jeffries also briefly discussed Mr. Gibbs' recommendation for updated sign standards and specifically the revision for outdoor display standards.

Ms. Cook requested the recommendations and presentation be emailed to the Board, adding she would have liked to see them included in the Board packet.

Mr. Jeffries, referring to page 74 of 75 in the agenda packet, stated the TIF funding letter was provided for informational purposes only.

9. Public Comments

Mr. Scott Chesley suggested doing a test on a one block area for parking meters. Referring to the website, Mr. Chesley felt a comment page would have a huge value through "spiders" who read each update and which in turn, moved the site up in the rankings through Google. He pointed out that if the comment page was done through a moderator, then each time the moderator made changes or updated the page, the site activity would cause it to be placed more towards the top of the list which was important since it would be competing with a lot of "Daytona names".

Mr. Chesley stated he had begun filming video for commercials in support of a festival event he would be putting on in June and anticipated over 4 million impressions through print, social media, radio, and television. He asked for the Board's assistance in identifying a name for the shopping area along Beach Street, such as "Downtown Market Place on Beach Street", or "Downtown Shopping District on Beach Street". He asked for a singular identifier in an effort to help build the brand.

Ms. Lipton stated Mr. Gold was doing research through the survey in an effort to help identify it and create a brand; but that they may not be ready in time for Mr. Chesley's event.

Mr. Abraham stated that a lot of merchants use "Beautiful Downtown Daytona Beach" or "Historic Downtown Daytona Beach". He stated they did not want to make a decision prior to completion of the research and tactical plan.

Mr. Chesley stated he was trying to build an impression in people's heads that they would be coming to the shopping district of Daytona. He also stated he would personally be opening a retail business on Beach Street within the next 12 months so it would also affect him, but for the current project he would like it to work with the vision of the Board.

Mr. Hopkins stated the Board would be hard-pressed to come up with something new and that the process should not be sidestepped until complete.

Mr. Abraham stated the Board could not make a decision in the middle of the process. He added Ms. Cook used “Beautiful Downtown Daytona Beach” as do other merchants and he felt that was a great marker for the area.

Mr. John Nicholson, 413 N. Grandview Avenue, referred to the alcove storefronts discussed earlier, and stated a lot of the historic facades were lost when the area was modernized. He stated storeowners were being asked to take away a historic component.

Mr. Jeffries stated the historic period was 1890 – 1920 but the alcoves were built in the 30’s and 40’s. Over the past 20 years the design standards had not allowed bubble awnings and Mr. Gibbs had suggested that rather than just new storeowners being compliant, everyone in the area should comply with the current standards.

Ms. Lipton had received a complaint regarding absentee landlords and whether or not there were any codes for empty storefronts, particularly for dirty windows.

Mr. Jeffries stated he was working with Code Enforcement regarding that issue. He stated curtains needed to be put up in order to block the view inside. If the property was empty or you could see in, it should be visibly clean inside and not cluttered with junk.

10. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 11:23 AM.

Robert Abraham., *Chairman* D. Williams, *Recording Secretary*

ITEM #5

THE CITY OF DAYTONA BEACH

REDEVELOPMENT DIVISION
POST OFFICE BOX 2451
DAYTONA BEACH, FLORIDA 32115-2451
PHONE (386) 671-8180
Fax (386) 671-8187

MEMORANDUM

DATE: April 17, 2012

TO: Downtown Development Authority Members

FROM: Jason Jeffries, Project Manager

SUBJECT: 2nd Quarter DDA Financial Report

The following is the quarterly DDA financial report with expenditures through April 17, 2012.

BUDGET STATUS

General Activities

Line Item		Appropriation		Spent to Date As of 4/17/12		Balance
Contract Services	$	1,000	$	297.03	$	702.87
Office Supplies	$	250	$	32.77	$	217.23
Care and Subsistence	$	400	$	213.76	$	186.24
Professional Memberships	$	600	$	595.00	$	5.00
Downtown Marketing[2]	$	50,250	$	33,178.20	$	17,071.80
Downtown Events	$	32,500	$	16,690.60	$	15,809.40
Downtown Holidays	$	20,000	$	19,332.00	$	668.00
Main Street Program[1,2]	$	10,000	$	-	$	10,000.00
Total	**$**	**115,000**	**$**	**70,339.46**	**$**	**44,660.54**

Notes:

1. On December 13, 2011, the Authority approved a transfer of $5,000 from Main Street Program line item to Farmers' Market Activities.
2. On February 16, 2012, the Authority approved a transfer of $7,500 from Main Street Program line item to Downtown Marketing.

Farmers' Market Activities

Revenues		Projection		Received to Date As of 4/17/12		Balance
Vendor Revenue	$	18,750	$	9,643.00	$	9,107.00
Market Booth Sales	$	900	$	-	$	900.00
Total	**$**	**19,650**	**$**	**9,643.00**	**$**	**10,007.00**

Expenses		Appropriation		Spent to Date As of 4/17/12		Balance
Market Manager	$	8,440	$	3,293.10	$	5,146.90
Office Supplies	$	300	$	51.82	$	248.18
Liability Insurance	$	1,265	$	1,260.85	$	4.15
City Fees	$	1,000	$	1,000.00	$	-
Marketing	$	8,895	$	557.88	$	8,337.12
Market Events	$	2,000	$	-	$	2,000.00
Booth Merchandise	$	750	$	-	$	750.00
Equipment	$	2,000	$	344.88	$	1,655.12
Total	**$**	**24,650**	**$**	**6,508.53**	**$**	**18,141.47**
Profit/Loss	**$**	**(5,000)**	**$**	**3,134.47**		

Notes:
* Appropriations include projected revenue of $19,650 from market revenue and $5,000 transferred from General Activities.

Jeffries, Jason

Subject: FW: Farmers' Market

From: Robert Abraham [mailto:robertabraham@mindspring.com]
Sent: Thursday, March 29, 2012 2:42 PM
To: 'cheryl kelley'
Cc: Jeffries, Jason
Subject: RE: Farmers' Market

Thanks, Cheryl, for your response, and your phone call. I will review our license agreement with the City and we will revisit some of the issues you commented on at the next DDA meeting. The memo from the City about its concerns was part of the agenda packet, although not listed as a separate agenda item, and obviously had to be addressed.

As we discussed on the phone, there are some business considerations concerning vendors that need to be taken into account with regard to hours of attendance. For example, if a farmer sells out before the market closes, does it make sense to require him to stay and man an empty booth? Or does it make sense to require a vendor selling Bar-B-Q to be set up to serve at 7:00 a.m.? It appears that some exceptions may need to be made.

I was not suggesting that you could not discuss the Market with vendors, volunteers, family and friends. I was referring to lines of responsibility among the entities involved.

There are multiple parties involved and it is taking time for everyone to get on the same wave length, but I think we are slowly getting there.

Bob

From: cheryl kelley [mailto:cherylakelley@yahoo.com]
Sent: Thursday, March 29, 2012 1:18 PM
To: Robert Abraham
Cc: 'Jeffries, Jason'
Subject: Re: Farmers' Market

Thank you Bob. I will try to address all of your concerns.

1. That all vendors are set up correctly and according to the rules adopted by the DDA, and that all traffic control devices (e.g., cones) are in place before the Market opens at 7:00 a.m.

I do not arrive until 7:00 and I never have, nor have I been asked to or paid to, so things will not be fully set up by 7:00.

2. That the management booth is up and attended during all Market hours.

This is impossible since I am called away from the booth nearly 50% of the hours of the market to collect rent and deal with vendor or customer issues.

3. That each vendor remains open during all Market hours.

Many vendors do not show up until 9 or later and some (especially farmer's) sell out and leave early. We don't want to place hardships on the very vendors we MOST want to keep and attract. This runs DIRECTLY counter to our stated goals.

4. That Market breakdown is complete and the area is cleaned up by 2:00 p.m. This will be critically important as the Cubs resume play.

A list of current vendors is sent nearly every week to Jason when I send financial collection information.

In the future, I would appreciate it if I am notified if Farmer's Market Business, beyond the usual updates, is planned to be discussed at the DDA meetings. The schedule and agenda I received for this meeting had only "Farmer's Market update" on it, which is exactly the same as the last 2 meetings I attended.

I was blindsided with a new logo - that I strongly dislike and derails a volunteerism project I was trying to get underway; and apparently a more detailed discussion of Market business took place at the last meeting than has ever taken place while I was in attendance.

While I appreciate the DDA management efforts and I understand the role the DDA plays as the managing entity of the Farmer's Market, the Market is operated for public benefit and I regularly discuss "Market issues" with vendors, volunteers, my mother, my boyfriend, and whomever else is kind enough to listen. I don't plan to change that behavior in the future. I assume you were not implying I should?

Thanks,
Cheryl

From: Robert Abraham <robertabraham@mindspring.com>
To: 'cheryl kelley' <cherylakelley@yahoo.com>
Cc: "'Jeffries, Jason'" <jeffriesj@codb.us>
Sent: Thursday, March 29, 2012 12:33 PM
Subject: Farmers' Market

Cheryl,

At the DDA meeting this past Tuesday, the members discussed a number of items relating to the Farmers' Market. As Chairman, I wanted to give you a brief summary of what was discussed, and mention a few things that will require your attention.

Jason presented a financial report showing income and expenses, with budget comparisons. The finance director for the City was present and explained financial accounting procedures and why it is necessary to follow governmental accounting procedures for the Farmers' Market finances, even though the DDA, as operator of the Farmers' Market, is technically an independent entity.

The board noted how busy the Market seems to be and expressed appreciation for your efforts in working with the vendors and advancing the objectives that were outlined in the DDA's response to the RFP and incorporated in the license agreement with the City.

There are a few items that do need attention. The City is concerned about public safety issues related to placement of vendor tents on the sidewalk, since this forces pedestrians into the traffic lanes. This also could result in issues relating to our insurance coverage, particularly since the sidewalk is outside the Farmers' Market license area under our license agreement with the City. It was noted that there are probably business reasons why it is advantageous to vendors for tents to be placed on the sidewalk. However, this is something over which we have no control, since we have no right to occupy the sidewalk and there are legitimate public safety concerns. Therefore, it is important to see that this does not re-occur.

Our performance of contractual obligations under the license agreement with the City is being observed, and it is important that we are able to meet these obligations. Therefore, it is essential that we are able to demonstrate that the following tasks are being consistently accomplished (in the event any of it is not already being done):

1. That all vendors are set up correctly and according to the rules adopted by the DDA, and that all traffic control devices (e.g., cones) are in place before the Market opens at 7:00 a.m.

2. That the management booth is up and attended during all Market hours.

3. That each vendor remains open during all Market hours.

4. That Market breakdown is complete and the area is cleaned up by 2:00 p.m. This will be critically important as the Cubs resume play.

In addition, there are certain administrative matters that need our attention. One of the perceived problems with the prior Market operator was a lack of transparency. We are committed to having a transparent operation. Therefore, it is important that all documentation involving vendors (such as signed application forms) be kept on file at the Redevelopment office at City Hall. The Redevelopment Staff is assigned to the DDA to provide administrative support and maintain our records.

Also, we are in need of some information for a report that we will be making to the City, and will appreciate your assistance in providing it. The information we need is the following:

1. A list of vendors as of January 1, 2012, to establish a base line.

2. A matrix of present market vendors, including vendor name, contact information, vendor category by type listed in the Farmers' Market license agreement, and number of 10x10 spaces occupied by each vendor. We would like to have this updated weekly.

At the meeting, the DDA was presented drafts of Farmers' Market logo drawings that were prepared *pro bono* by Gold & Associates. The members seized upon the opportunity to get something in place for immediate use on banners. We will look forward to getting your input on the final logo design for the Market.

You will note that the City is observing the propriety of directing any comments it has concerning the Market to the DDA, since the DDA is responsible for operation of the Market. Similarly, as we have discussed, your communications regarding Market issues should be with the DDA (through the Redevelopment Staff to the extent feasible), and not directly with the City or anyone else. Jason Jeffries is the Redevelopment Staff member with whom items needing the DDA's approval or discussion should be coordinated. He is available to provide administrative assistance and any advice on the DDA's direction. If at any time you feel that issues are not being adequately addressed by Jason, I encourage you to contact me in my role as Chairman of the DDA.

I know I speak for all members of the DDA in assuring you that we want to do all we can to ensure the success of the Farmers' Market and your success as its Manager.

Bob

Robert Abraham

CITY ✦ ISLAND

DOWNTOWN

FARMERS'

MARKET

DAYTONA ✦ BEACH

EVERY SATURDAY

STRATEGIC MARKETING PLAN FOR DOWNTOWN DAYTONA BEACH

Presented by GOLD • Wednesday, April 18, 2012

EXECUTIVE SUMMARY

This planning document provides "a dynamic set of guideposts" to assist the City of Daytona Beach Downtown Development Authority in achieving its marketing objectives for our historic Beach Street retail area for many years to come.

The Strategic Marketing Plan (*SMP*) and the Tactical Plan contained herein endeavor to explain in detail what brand marketing is and how it should best be employed for our Beach Street retail area. The plan defines our services, catchments and constituencies, and it expresses what tools, tactics and vehicles are best suited to reach our intended audiences and achieve the outcomes desired. Implementation of the plan will be in two initial phases: FY 2012 Remaining and FY 2012-2013. Plus, the plan, tools and tactics will be monitored continuously and revised to respond to changes in the consumer, business and tourism marketplaces.

Some of the most critical areas of this SMP are the articulations of our retail area's product, strategy, market, competition, audiences and selling proposition. The following is a summary of each:

CHANGING MARKET CONDITIONS

As would be expected, there have been many changes in our marketing conditions since the development of the FY 2008–2009 Marketing Plan. Specifically, the following points no longer hold true:

- That the area should be positioned first and foremost as a heritage–based "Main Street" destination area, primarily competing with the likes of historic St. Augustine and downtown New Smyrna Beach *(which our April 2012 research proves not to be the case)*;
- That our primary audience is an emerging population of young professionals in their 20s and 30s without children *(which has not been fully realized)*;
- That the "Unique Selling Proposition" should be "the area's dining and entertainment district" *(though it is such, our April 2012 research proves this proposition is not truly unique or compelling)*; and
- That the primary "strategies" should be the use of direct mail, directories, brochures and newsletters *(which are not the contemporary means by which past, present or prospective guests prefer to be reached).*

OUR PRODUCT

Downtown Daytona Beach does in fact offer a truly special set of experiences for visitors and locals alike—all in a beautiful waterfront setting. The area is centered on Beach Street and anchored by unique, locally owned shops, restaurants, attractions and other specialty and professional businesses.

According to a report commissioned by the City of Daytona Beach and prepared by Gibbs Planning Group in 2011, the Beach Street retail area has an opportunity to become even stronger and attract more customers with the addition of further entertainment venues, restaurants, shops, markets and more.

EXECUTIVE SUMMARY
(Continued)

OUR PRODUCT

- BRAND IMAGE — Both our retail area's image and promise are those of uniqueness and beauty—of being distinctly different from any other shopping, dining or entertainment district in the region, set in a beautiful waterfront location. And this will appeal to those individuals who see themselves as unique, which should be underscored in every form of communication and in every tactic employed to promote the Beach Street retail area;
- VALUABLE POINT OF DIFFERENCE — Our difference *(or "value proposition")* is that we are, in fact, truly unique in our catchment area, providing a beautiful waterfront shopping, dining and entertainment experience that is unequalled by any other;
- NOMENCLATURE — Our April 2012 research study confirms that the name "Downtown Daytona Beach" is not as distinctive as the retail area itself. The name preferred most by our past, present and prospective guests in the study relates back to their image of the area being an appealing waterfront destination: ***"Riverfront Shops of Daytona Beach"*** *(or simply Daytona as many local residents refer to the area)*. Their selection of a themeline *(or "slogan")* also relates to their image of the area: ***"Coastal Charm. Downtown Dazzle."*** Both are distinctive, protectable, memorable, relevant, translatable and attractive; and
- BRAND IDENTITY — With a new name would also come a new symbol *(or "logo")*. It can be completely compatible with the recently developed symbol for the D.D.A., *(as the distinctive type and waterfront/palm icon reflect the area's uniqueness, excitement and riverfront location)* or new directions can be developed and evaluated in research.

OUR STRATEGY

Recent research studies from the most reliable industry sources cite friends, family and online outlets *(specifically websites and social media networks)* as the most frequently used referral and reference sources by our primary constituents. For Baby Boomer and older cohorts, television also remains tremendously effective. In fact, our constituents selected television in our recent research as the best media vehicle for reaching them. Plus, the widest body of marketing data proves overwhelmingly that print media and direct mail are used increasingly less by many demographics. Therefore, our retail area media plan takes full advantage of these data and trends. Additionally, we will employ those tools and tactics that gives us the greatest penetration and frequency possible throughout our primary, secondary and tertiary markets.

A dynamic, leading-edge website is certainly a critical component of any retail destination's marketing success as well. And marketing programs to reach and influence our guests should focus on media placed strategically online, especially on social media sites, with other media used primarily for branding and promotional purposes. Additional marketing tactics, such as Public/Media and Community Relations, will also help increase our brand awareness and round out our overall marketing mix. All of the media and other tools employed will be trackable and deliver a strong, measurable Return on Investment *(ROI)*.

EXECUTIVE SUMMARY
(Continued)

MARKET AREA
The Downtown Daytona Beach retail area is located in Volusia County on "Florida's Fun Coast," northeast of the Orlando travel/tourism hub and between the tourist destinations of Flagler Beach, Palm Coast and St. Augustine to the north and New Smyrna Beach, Titusville and Cocoa Beach to the south.

The larger Daytona Beach destination is a world-renowned tourism and entertainment center that hosts millions of vacationers annually and is home to over 60,000 full-time residents, with the MSA having a population of nearly a half million. Moreover, the city is a vibrant business district offering all manner of professional services.

In marketing the Beach Street retail area, the following are the predominant marketing geographies that we will reach, depending upon the specific aims of the tactics to be deployed and the audience for each:

- PRIMARY GEOGRAPHIC MARKET — The full- and part-time resident population, the local business community and the tremendous influx of vacationers make the entire City of Daytona Beach and the County of Volusia our primary marketing area. This market will be penetrated in every marketing endeavor. However, these local constituencies in-and-of themselves cannot sustain or sufficiently grow the retail area due to limitations in income, market size and the competitive environment. Therefore, capturing additional markets and upmarket constituents is essential;

- SECONDARY GEOGRAPHIC MARKET — The additional geographic area radiating fifty miles out from our destination represents the secondary market. Most of our marketing efforts will penetrate the full-time and seasonal resident populations and tourists here, versus business-to-business constituencies; and

- TERTIARY GEOGRAPHIC MARKET — The geographic area radiating from fifty to one hundred miles out from our destination will be reached mainly to promote our events and festivals, as well as for our overall branding purposes.

OUR COMPETITION
The primary competitors cited by our Beach Street retail area merchants, our Downtown Development Authority Board, our guests and our prospective guests are first and foremost the area's large chain stores and restaurants *(especially those situated along International Speedway)*, The Volusia Mall and The Pavilion at Port Orange. Higher income guests and prospects will often travel greater distances to find a more refined area in which to shop, dine or be entertained, such as New Smyrna Beach and even Orlando.

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EXECUTIVE SUMMARY
(Continued)

OUR AUDIENCES

Specific audiences and audience segments will be targeted for certain products, services, days, weeks, months, seasons, events, festivals and promotions. The demography of the most frequent guests that we attract are as follows:

- COHORTS — The Baby Boomer #1 *(born 1946–1957)* and Baby Boomer #2 *(born 1957-1964)* cohorts are the primary prospects for shopping, dining and entertainment that were cited by the majority of our merchants, Board members and research respondents;
- GENDER — Women will often be targeted more than men, as they are the primary decision makers for shopping, dining, entertainment and vacation planning, and our recent primary research findings indicate as much. Men will be our main target for specific events and festivals proven to appeal to that particular gender, such as Daytona Cubs games and "The Art of the Automobile"; and
- INCOME — With the average annual household income *(HHI)* in the City of Daytona Beach being lower than the state average *($30,737 versus $47,661)*, we must broaden our geographic market reach in order to increase our retail area revenue, as well as pinpoint the higher–end zip codes in the region. This will also reach more of the prospects that are critical for our area's upmarket merchants and restaurants.

Our constituencies also include the professionals who work in our downtown area, as well as seasonal residents, tourists and special event attendees. Additional constituencies for festivals and specific merchants' product offerings include personnel stationed at local military bases *(16 overall, with over 250,000 veterans living in the region)*, along with the faculty and students at our colleges and universities *(20+ including technical schools)*. The greater Orlando area also draws over 43 million tourists each year whom we wish to increase our awareness among, with the "Space Coast" to the south attracting over 9 million (*though that number is declining*).

Group and business-to-business marketing will be targeted to meeting planners, concierges, activities directors at "active adult" communities, clubs and associations, convention attendees and more. Government officials and the philanthropic community are valuable audiences too, along with the local and regional news media for articles, editorials and feature stories.

OUR UNIQUE SELLING PROPOSITION (USP)

Three USPs were evaluated. The language that was preferred most by the great majority of participants and respondents has been refined as follows:

> ***Our historic Beach Street retail area is Florida's most unique, most beautiful waterfront shopping, dining and entertainment destination.***

As with our new name and themeline, the words and phrases that our audiences have found to be the most compelling and descriptive of our retail area relate to our unique waterfront location.

EXECUTIVE SUMMARY
(Continued)

QUANTITATIVE RESEARCH

In order to determine the present day shopping, dining, entertainment and marketing preferences of our current, past and prospective guests, a quantitative research survey was launched on April 6, 2012. The survey ran online for a week. A universe of over 11,000 potential respondents were contacted to participate in the survey using the DDA's opt–in database, and hundreds of qualified persons responded. The survey questions were similar to those discussed at recent workshops with our Downtown Development Authority Board, our retail area merchants and other stakeholders. The following is an overview of the findings from this study:

Respondents

A level of statistical significance was achieved with the study, due to the number of respondents who fully completed it. And their demography was in line with the description of regular guests provided by our merchants and Board. Specifically, the majority *(two-thirds)* were female Baby Boomers, with moderate household income levels. They included full-time and seasonal residents, vacationers and area business professionals.

Visitation

Most survey respondents may be categorized as regular guests, as the majority have visited our Beach Street Downtown Daytona Beach retail area within the last thirty days and more than two-thirds have visited it four times or more in the last twelve months. Of those who have not visited the area, the leading reason was their lack of knowledge about it. Therefore, increasing awareness promises to increase guest trial. And increasing the frequency of guests' visits to the Beach Street retail area is also critical, as they currently patronize other shopping and dining locations more often.

Guest Experiences

When respondents were asked what they liked seeing and doing the most at our retail area, the leading response was dining, which scored about 30% higher than their next favorite vote getters. These included attending local events, plus visiting the chocolate shop and Farmers' Market *(in a statistical tie)*. Importantly, those who dine in the area also attend special events here. Overall, shopping ranked significantly lower still *(by about 60%)*. The least enjoyed activities and amenities were visiting the salon(s), our museum and our independent film theater. The study also revealed a correlation between those who ranked shopping low and those who either had a low level of awareness for the area, or a high level of dissatisfaction with the variety of shopping available. Importantly, the higher the level of respondent income, the greater their level of dissatisfaction.

The events that were cited as most attended were the Halifax Art Festival, Bike Week, Cubs Games and Farmers' Market. The least attended events were the Wine & Chocolate Walk and Art of the Automobile. Respondents with the highest levels of income had higher levels of attendance at events, such as the Art Festival and Wine & Chocolate Walk, than they did at Bike Week or Cubs games.

The average spending level among respondents in our retail area was somewhat low, with two-thirds spending $40 or less. However, most of these dollars were spent on dining.

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EXECUTIVE SUMMARY
(Continued)

QUANTITATIVE RESEARCH

Guest Satisfaction

What respondents like most about visiting our retail area is what they describe as our beautiful waterfront location, followed by our dining. These ranked roughly a third higher than any other benefits or amenities, such as our historic ambiance. What they like least is our parking, followed by our hours of operation and safety. This dissatisfaction is higher among women and increases with age.

Overall, nearly all respondents *(94%)* who visited the area expressed their satisfaction with it, with 82% saying they were very likely to return. *(Lower income respondents had a higher level of satisfaction than did higher income participants.)* Of those who were dissatisfied, the majority indicated that they either didn't care for our shops or that there was not enough to do *(which was expected).*

Competition

The main competitors for respondents' shopping and dining dollars were large popular chain brands, followed by The Volusia Mall and the Pavilion at Port Orange, which were cited two-to-three times more than any other locations. Cost was not an issue, as the great majority of respondents felt that these larger venues cost about the same or more than our retail area. However, there is a direct relationship between those who like the large chains and malls, and those who said our retail area lacks variety.

Branding and Messaging

As stated, our beautiful waterfront environment was named as our most appealing attribute two-to-one over any other. This was echoed in their brand name and theme preferences for the area. The name that they liked the best was the "Riverfront Shops of Daytona Beach." which scored 50% higher than any other. And the best-liked themeline *(or "slogan")* was "Coastal Charm. Downtown Dazzle." which scored over 170% higher than any other.

Six different advertising concepts were developed for respondents to rank. Their best-liked approach received about 50% more votes than any other direction. Both this and their second favorite approach featured photographs of our area *(versus illustrations)* and showcase our beautiful waterfront location.

After reading a description of our retail area, then reviewing our names, themelines and concepts, nearly all respondents noted that they would recommend the area to a friend, regardless of their age, income, gender or past visitation. This was a substantial increase in interest over the number who said earlier in the survey that they planned to return. This clearly shows the power of proper positioning, messaging and branding.

EXECUTIVE SUMMARY
(Continued)

QUANTITATIVE RESEARCH

Marketing Tools and Tactics
When respondents were asked to identify the best means of marketing the area to persons such as themselves, television advertising placed first out of fifteen choices *(plus those that they suggested)*. Public relations *(including calendars of events)*, e-mail marketing and Facebook postings followed closely behind. These ranked four times higher than other tools and tactics—especially radio and print advertising or printed materials (*such as brochures or direct mail).*

CONCLUSIONS

The study reached its intended audience and accomplished all of its marketing and planning objectives. The findings will be used as a benchmark for future studies that will measure our campaign progress moving forward.

The majority of respondents indicated that they were satisfied with their experiences at our retail area, though they would like to see greater merchant variety, especially in terms of shopping. Plus satisfaction among higher income guests can be increased by refining our product and improving its appearance. These improvements will attract more guests and increase merchant revenue.

Guests and prospects are attracted to our area's beautiful waterfront environment, which will be showcased in our brand name, messaging, imagery and marketing, especially with photographs versus illustrations.

Those who have not visited our retail area simply lack sufficient area knowledge and top-of-mind awareness. This can be remedied with a compelling and proper marketing campaign. This may also increase the frequency of visits among our guests. And the tools and tactics to accomplish this are cited by our guests and prospects as television, public relations, calendars of events and Facebook posts, which are highlighted in the Tactical Plan contained herein.

Thank you for your consideration!

I. INTRODUCTION

Overview and Background

"DYNAMIC GUIDEPOST"

In interviews with *The Wall Street Journal, Advertising Age* and other news media, GOLD & Associates, Inc. CEO Keith Gold has referred to a Strategic Marketing Plan *(SMP)* as a "dynamic guidepost." Wikipedia defines a marketing plan as "a document that details the necessary actions to achieve one or more marketing objectives." For the Beach Street retail area of Downtown Daytona Beach, this document represents such a dynamic, actionable plan.

The backbone of our Strategic Marketing Plan and the Tactical Plan contained herein is the message strategy. Additionally, the plans articulate the tools and tactics to be implemented the strategy to do so, as well as the methods for measuring plan performance. This plan does not include such elements as expense management or financial analysis as some such plans do. Rather, our SMP focuses on brand and brand development, brand concepts and the tactics required to establish the highest level of brand awareness for our retail area, followed by the marketing buzz, strong foot traffic and the increase in revenue that these will conspire to generate.

BRAND MARKETING DEFINED

The term "Brand" is derived from the Old Norse word *brandir,* "to burn," which refers to the practice of manufacturers burning their mark into their products. The word has taken on several definitions today, but the essential business meaning reflects this early usage: A brand is the distinct identity and personality of a product, service or organization—and the summation of all it represents. Brands do not exist in any single type of business, organization or creative application; rather, they are cultivated in the marketplace and in the minds of targeted audiences.

Brand marketing and management will endeavor to increase our product's awareness and perceived value among our intended audiences, thereby increasing our brand equity. In other words, we must burn the image of our retail area *(as well as that of our merchants, products, services and events)* into the minds of our constituents. Ultimately, this approach endeavors to create a "franchisable identity" that will stand out from those of our competitors and make the offerings of our retail area more valuable to guests and more attractive to prospects.

Our brand image will be defined and expanded through intelligent business practices, such as merchant distinctiveness, unmatched guest experiences, business acumen and—perhaps most importantly—an improved level of awareness, public image and sense of community.

I. INTRODUCTION

Overview and Background (Continued)

AIMS AND OBJECTIVES

In considering the tactics contained in this plan, it was critical to the Downtown Development Authority Board that all of the recommended activities be closely monitored in order to ensure that they accomplish the stated objectives. Consequently, the objectives had to be:

- CLEAR — Unambiguous about what they are and what must be accomplished;
- QUANTIFIABLE — Measurable to clearly gauge performance outcomes within specific time frames;
- REALISTIC — Achievable when properly implemented and supported; and
- AGREED UPON — By all stakeholders who are involved in the process.

The following are *clear* and *realistic* objectives that can be *quantified* through accounting and analytics, then *agreed upon* based on primary research to be conducted by The City of Daytona Beach:

- OVERALL — Our overall objectives are to *increase awareness*, *product understanding* and *consideration* among prospective guests. And those throughout our catchment area must know our retail area's name, products and the services, as well as what makes this their preferred shopping, dining and entertainment alternative. We believe that understanding such as this will lead to guest trial, repeat visitation and ultimately — advocacy for our brand. The measurements to be employed are well established, and we intend to begin our programs with benchmarks, gauging marketing progress continuously;
- CORPORATE — Our corporate objective is to treat our guests and stakeholders with the utmost *dignity*, *respect* and *excellence*. Moreover, we wish to include them in our marketing process, to be good corporate citizens and to help our merchants remain fiscally strong;
- MARKETING — Our marketing objectives are to be branded and recognized as the undisputed market leader and a bona fide destination when it comes to shopping, dining and entertainment in this region;
- COMMUNICATIONS — Using a conversion rate of 1:4, an 80% annual increase in RFI *(Requests for Information)* should also be our goal, as measured by:
  - Unique Web visitation;
  - E-mail requests;
  - Phone/mobile requests;
  - Social network growth;
  - Area foot traffic; and
  - Walk–up merchant traffic.
- GOVERNMEMTAL — To be recognized by local, regional and state government agencies as an essential contributor to The City of Daytona Beach economy;

I. INTRODUCTION

Overview and Background (Continued)

AIMS AND OBJECTIVES

- OPERATIONAL
  - GUEST EXPERIENCE: Our merchants should create positive, memorable experiences for our guests. Our goal will be to score 95% + in terms of overall guest satisfaction when evaluated. This will encourage repeat visitation, build brand loyalty and stimulate guest referrals from positive "word of mouth";
  - GUEST DEVELOPMENT: As part of our overall Tactical Plan, our messages and media will not only target the resident, tourist and business populations that presently exist, but endeavor to reach more higher end prospects as well. E-mail marketing will facilitate guest acquisition, reactivation and increased frequency of visit. Historically, the retail area has been able to attract a substantial number of guests to events each year and will build on this success;
  - DIRECT SALES: Our government staff, board members and merchants will be encouraged to attend trade events, which should to generate a healthy number of new prospects for our database, and a solid percentage of new guests within the first year. These efforts will be supported by aggressive new e-marketing programs;
  - WEBSITE: We expect to attract at least 50,000 visits from one million hits to our website within twelve months of our new site launch. Our SEO score should be 90% or better, surpassing those of organizations such as Disney World, Microsoft and Starbucks (*all of which presently score in the 70s*);
  - ADVERTISING CAMPAIGN: Both online and offline advertising tools and tactics will be employed to build brand awareness and stimulate trial. All of these will help increase brand awareness and promote our events, which will facilitate trial. Television in particular was cited in our primary research as most effective. Calendar of event newspaper advertising will attract attention and help strengthen our public relations efforts. The success of these efforts will be monitored and evaluated in terms of driving traffic to our website with an ROI goal of at least 4-to-1. Plus, our social marketing campaign is expected to build a base of friends and fans of several thousands within the first six months; and
  - PUBLIC/MEDIA RELATIONS CAMPAIGN: Press releases, story ideas, feature stories and calendar of events updates will be distributed on a continuous basis to literally thousands of editors and writers throughout our key markets. FAM *(Familiarization)* trips will also be conducted with media representatives in order to stimulate a constant stream of positive press, which in terms of media value should be at least twice that which is spent on advertising—or over $150,000 the first year.

II. SITUATIONAL ANALYSIS

Marketing Environment

SITUATIONAL ANALYSIS

In order to construct an effective, relevant and up-to-date Situational Analysis, a marketing communications audit should be conducted on a continuous basis. The aim of this analysis is to identify those existing factors that have a significant impact on our business today—and in the future. The following is a brief Situational Analysis of our Beach Street retail area:

- MARKET DEFINITION — The combined full-time and part-time adult resident population of our primary, secondary and tertiary area is several million persons. According to VISIT FLORIDA, this swells by over 25% with seasonal residents. There are over 300 “active adult” communities in this region. The median household income for the combined counties matches that of our state overall at over $47,000; *(This is substantially different than the demography of Daytona Beach and our downtown in particular.)*
- CONSTITUENCIES — The various publics that we will effectively reach include not only include prospective shoppers and diners, along with those seeking entertainment and vacation alternatives, plus those who work within our downtown area. Consumer constituencies include residents, seasonal residents and tourists. Additional groups including students and those at area military bases. Group and business-to-business constituencies include professionals, convention attendees, meeting planners, activities directors, government officials, the philanthropic community and associations;
- REFERRAL SOURCES — Key referral sources for our retail area’s services include family members, friends, co-workers, tourists, concierges, businesses and those who will respond to our targeted communications efforts, such as online and offline marketing;
- COMPETITIVE ANALYSIS — We are a shopping, dining, entertainment and attraction destination. Therefore, there are no direct competitors per se. Indirectly, we compete for resident dollars with literally hundreds of restaurants and retailers throughout our primary market area and thousands in our secondary market area, especially “big box” and well-known chain stores and restaurants, along with The Pavillion at Port Orange and The Volusia Mall. We also compete for tourist dollars with the rest of Daytona Beach, Volusia County, as well as the renowned attractions and destinations of Central Florida indirectly;
- MARKET TRENDS — There are many practices and procedures that are having a profound impact on the contemporary consumer marketplace and on the guests that we serve. For instance, shopping frequency has been down across the U.S. the last few years, but 2012 shows promise. Length of stay, average daily rate and lodging occupancy of vacationers have also been down, but now show promise;

II. SITUATIONAL ANALYSIS

Marketing Environment

SITUATIONAL ANALYSIS

- SEASONALITY — "Snowbirds" *(seasonal residents)* increase the late Fall through early Spring population in our service area substantially according to U.S. Census data, VISIT FLORIDA and our county convention and visitors bureau. This seasonal swelling is not as great as it has been in the past, as fewer seniors now have the financial resources to travel and maintain a seasonal residence. Still, it is a time at which a substantial number of those with discretionary time and financial resources visit our destination area.

Demographics

OUR CATCHMENT AREA

Our market carveout divides the catchment area into three markets, all within a 100-mile radius of our Beach Street retail area:

- PRIMARY LOCAL MARKET — The City of Daytona Beach, along with all of the other cities, towns and communities within Volusia County;
- SECONDARY 50 MILE RADIUS MARKET — The Counties of Brevard, Flagler, Lake, Marion, Orange, Putnam, Seminole and St. Johns. We must "own" this market, especially resident and seasonal resident publics, as well as local business professionals and area tourists; *(Listed alphabetically.)*
- TERTIARY 50-100 MILE RADIUS MARKET — The Counties of Alachua, Bradford, Duval, Indian River, Osceola, Polk and Sumter. This market will be targeted initially for special events. *(Listed alphabetically.)*

A detailed breakdown of the demography of each market, including their total population, median age and household income, gender, travel time to work, race, education, business profile, veteran population and more are provided on the next several pages.

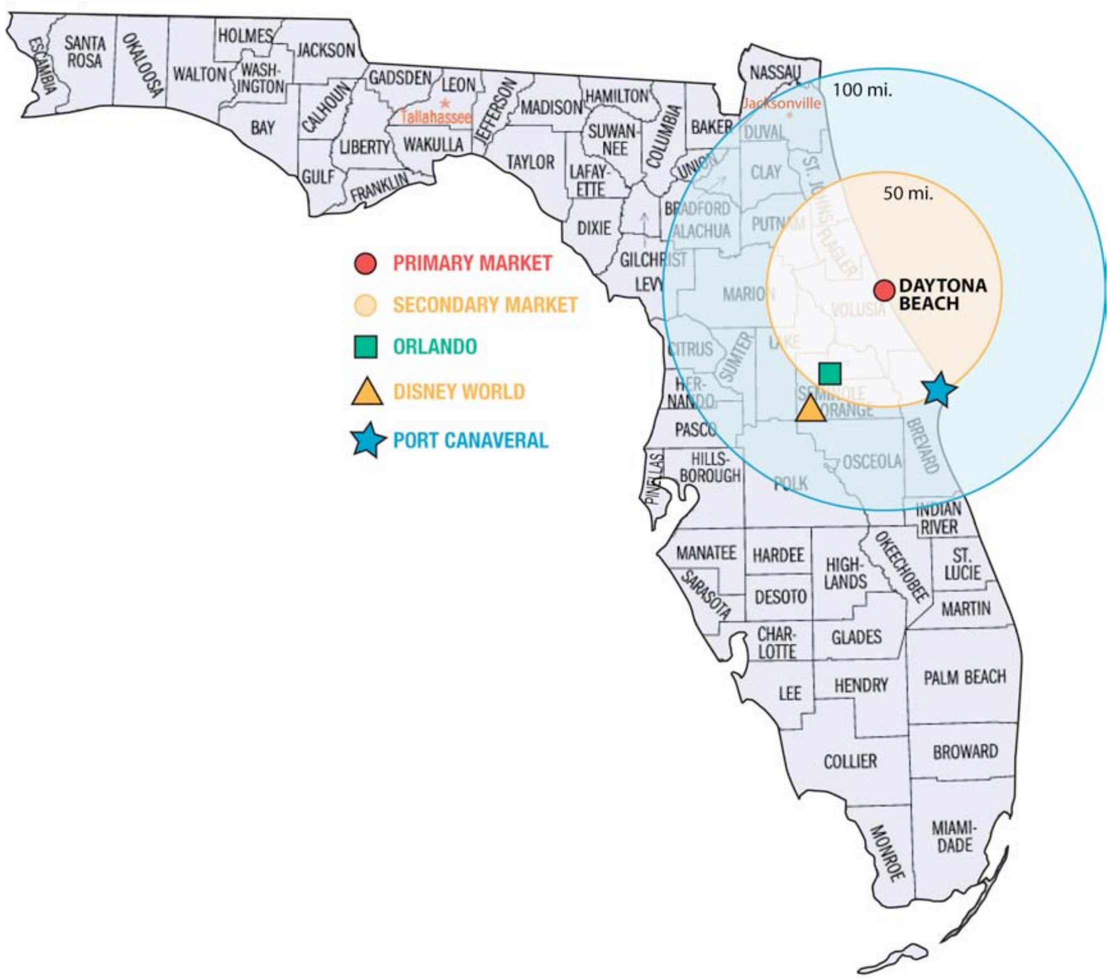
II. SITUATIONAL ANALYSIS

Demographics — Market Map

The projected population of full-time adult residents *(versus seasonal residents, tourists, et cetera)* who are 18+ years of age and their combined household income for 2011 in each of these geographic market areas are as follows:

	POPULATION	HHI
• SECONDARY 50 MILE MARKET	2.1 million	$49,984
• TERTIARY 100 MILE MARKET	2.5 million	$44,348

Importantly, the household income level for the total primary geographic market is lower than the state average of $47,778 *(in 2011)*. In contrast, the income of our secondary area is nearly 5% higher.



II. SITUATIONAL ANALYSIS
Demographics

OUR CATCHMENT AREA

For marketing and planning purposes, especially for media buying purposes, DMAs (*Designated Market Areas)* are used to demonstrate how various geographic areas and their populations can receive the same or similar media offerings, as metropolitan areas may overlap. These are widely used in audience measurements, which are compiled by organizations such as Nielson and Arbitron, among others. MSAs *(Metropolitan Statistical Areas)*, which are used in government reports and census data, are also referenced herein.

The demographics and other important data for our primary, secondary and tertiary market areas and counties in particular are listed as follows:

Primary Market Demographics

VOLUSIA COUNTY

Volusia County occupies over 1,101 square miles and is part of the Deltona-Daytona Beach-Ormond Beach MSA (*Metropolitan Statistical Area*). The county seat is Deland. The largest municipalities in Volusia County include Deltona, Daytona Beach, Port Orange, Ormond Beach, Deland, New Smyrna Beach and Edgewater:

- POPULATION OVERALL — 494,593 *(Florida 19,057,542 in 2011)*;
- MEDIAN AGE — 81.1% 18+; 21.1% 65+ *(Florida 17.3%)*;
- MEDIAN HHI — $44,400 (*Florida $47,661*); 13.8% are below the poverty line;
- GENDER — 51.1% Female *(Florida 51.1%)*;
- TRAVEL TIME TO WORK — 24.7 minutes *(Florida 25.7%)*;
- RACE — 82.5% White *(Florida 75%)*; 11.2% Hispanic or Latino *(Florida 22.5%)*; 10.5% Black *(Florida 16%)*; 1.5% Asian *(Florida 2.4%)*;
- EDUCATION — High school graduates 87.3% *(Florida 85.3%)*; Bachelor's degree 21% *(Florida 25.9%)*;
- BUSINESS OWNERSHIP — 46,499 businesses; 1) retail sales 2) accommodations and food service; Black-owned firms 4.1% *(Florida 9%)*; Hispanic-owned 6.8% *(Florida 22.4%)*; Asian-owned 2.7% *(Florida 3.2%)*; and
- VETERANS — Approximately 58,480 (*out of 1,672,288 statewide*).

II. SITUATIONAL ANALYSIS

Primary Market Demographics

CITY OF DAYTONA BEACH

- POPULATION OVERALL — 61,005 in 2010;
- AGE — 84.2% 18+; 18.5% 65+;
- MEDIAN HHI — $30,737;
- GENDER — 50% female;
- TRAVEL TIME TO WORK — 19.9 minutes;
- RACE — 57.8% White; 35% Black; 6.2% Hispanic or Latino;
- EDUCATION — 83.4% High School Graduates; Bachelor's Degree 21.4%; and
- VETERANS — Approximately 17,400 (*out of 1,672,288 statewide*).

Please note that the demographics of our city are much different than those of our county overall.

Secondary Market Demographics

(Listed Alphabetically)

BREVARD COUNTY

Brevard County occupies over 1,018 square miles and is part of the Bay-Melbourne-Titusville MSA *(Metropolitan Statistical Area)*. The county seat is Titusville and the largest municipalities are Cape Canaveral, Cocoa, Grant-Valkaria, Indialantic, Indian Harbor Beach, Malabar, Melbourne, Melbourne Beach, Palm Bay, Palm Shores, Rockledge, Satellite Beach, Titusville and West Melbourne.

- POPULATION OVERALL — 536,376 *(Florida 19,057,542 in 2011)*;
- MEDIAN AGE — 80.2% 18+ *(Florida 78.7%)*; 20.4% 65+ *(Florida 17.3%)*;
- MEDIAN HHI — $49,523 *(Florida $47,661)*; 10.5% are below poverty line;
- GENDER — 51% Female *(Florida 51.1%)*;
- TRAVEL TIME TO WORK — 23.6 minutes *(Florida 25.7%)*;
- RACE — 83% White *(Florida 75%)*; 10.1% Black *(Florida 16%)*; 8.1% Hispanic or Latino *(Florida 22.5%)*; and 2.1% Asian *(Florida 2.4%)*;
- BUSINESS OWNERSHIP — 45,939 businesses; Hispanic or Latino 5.3% *(Florida 22.4%)*; 6.1% Black *(Florida 9%)*; 2.9% Asian *(Florida 3.2%)*;
- EDUCATION — High school graduates 90.6% *(Florida 85.3%)*; Bachelor's degree 26.2% *(Florida 25.9%)*; and
- VETERANS — Approximately 73,906 (*out of 1,672,288 statewide*).

II. SITUATIONAL ANALYSIS

Secondary Market Demographics

FLAGLER COUNTY

Flagler County occupies over 285 square miles and is part of the greater Palm Coast *(Micro)* MSA (*Metropolitan Statistical Area*). Flagler was the fastest growing county in the nation from 2000–2005. The county seat is Bunnell and the largest municipalities and towns are Bunnell, Flagler Beach, Palm Coast and Marineland:

- POPULATION OVERALL — 95,696 in 2010 (*Florida 19,057,542 in 2011*);
- MEDIAN AGE — 80.1 18+; *(Florida 78.7%)*; 24.5% 65+ *(Florida 17.3%)*;
- MEDIAN HHI — $48,090 (*Florida $47,661*);
- GENDER — 51.9% Female *(Florida 51.1%)*;
- RACE — 82.3% White *(Florida 75%)*; 8.6% Hispanic or Latino *(Florida 22.5%)*; 11.4% Black *(Florida 16%)*; 2.1% Asian *(Florida 2.4%)*;
- TRAVEL TIME TO WORK — 24.4 minutes *(Florida 25.7%)*;
- LARGEST INDUSTRIES — 1) Construction; 2) Hospitality;
- BUSINESS OWNERSHIP — 9,695 businesses; 2.8% Hispanic or Latino *(Florida 22.4%)*; 2.9% Black *(Florida 9%)*; Fewer than 100 Asian *(Florida 3.2%)*;
- EDUCATION — High school graduates 85.9% *(Florida 90.2%)*; Bachelor's degree 22% *(Florida 25.9%)*; and
- VETERANS — Approximately 11,871 (*out of 1,672,288 statewide*).

LAKE COUNTY

Lake County occupies 572 square miles and is part of the Orlando–Kissimmee MSA *(Metropolitan Statistical Area).* The county seat is Tavares, with the largest municipalities being Leesburg, Eustis, Clermont, Lady Lake and Mount Dora, in that descending order. The Villages is the county's largest community:

- POPULATION OVERALL — 297,052 *(with "snowbirds" approximately 374,000)*;
- AGE — 79.2% are 18+ *(Florida 78.7%)*; 24.2 % are 65+ *(Florida 17.3%)*;
- AVERAGE HHI — $46,477 (*Florida $47,661*); 11% are below the poverty line;
- GENDER — 51.5% Female *(Florida 51.1%)*;
- TRAVEL TIME TO WORK — 27.8 minutes *(Florida 25.7%)*;
- RACE — 82% White *(Florida 75%)*; 12.1% Hispanic or Latino *(Florida 22.5%)*; 9.8% Black *(Florida 16%)*; 1.7% Asian *(Florida 2.4%)*;
- BUSINESS OWNERSHIP — 27,755 businesses; 8.7% Hispanic or Latino *(Florida 22.4%)*; 5.6% Black *(Florida 9%)*; 1.9% Asian *(Florida 3.2%)*;
- EDUCATION — High school graduates 90.2% *(Florida 85.3%)*; Bachelor's degree 22% *(Florida 25.9%)*; and
- VETERANS — Approximately 37,165 (*out of 1,672,288 statewide*).

II. SITUATIONAL ANALYSIS

Secondary Market Demographics

MARION COUNTY

Marion County occupies over 1,874 square miles and is part of the Ocala *(Micro)* MSA *(Metropolitan Statistical Area)*. The county seat is Ocala, which along with Dunnellon are the largest municipalities. Unincorporated communities include Anthony, Fort McCoy, Marion Oaks, Salt Springs, Silver Springs Shores, Summerfield and The Villages:

- POPULATION OVERALL — 331,298 *(with "snowbirds" approximately 394,000.)*;
- AGE — 80.6% 18+ *(Florida 78.7%)*; 25.8% are 65+ *(Florida 17.3%)*;
- AVERAGE HHI — $40,339 (*Florida $47,661*); 15.3% are below the poverty line;
- GENDER — 52% Female *(Florida 51.1%)*;
- RACE — 81% White *(Florida 75%)*; 10.9% Hispanic or Latino *(Florida 22.5%)*; 12.3% Black *(Florida 16%)*; 1.3% Asian *(Florida 2.4%)*;
- TRAVEL TIME TO WORK — 24.5 minutes *(Florida 25.7%)*;
- BUSINESS OWNERSHIP — 29,443 businesses; 9.6% Hispanic or Latino *(Florida 22.4%)*; 7.5% Black *(Florida 9%)*; 2.4% Asian *(Florida 3.2%)*;
- EDUCATION — High school graduates 84.5% *(Florida 85.3%)*; Bachelor's degree 17.1% *(Florida 25.9%)*; and
- VETERANS — Approximately 43,783 (*out of 1,672,288 statewide*).

ORANGE COUNTY

Orange County occupies over 907 square miles and is part of the greater Orlando-Kissimmee MSA *(Metropolitan Statistical Area)*: The seat of government is located in Downtown Orlando. The largest municipalities are Orlando, Maitland, Winter Garden, Winter Park and Lake Buena Vista among others:

- POPULATION OVERALL — 1,145,956 *(Florida 19,057,542 in 2011)*;
- AGE — 76.4% 18+ *(Florida 78.7%)*; 9.7% 65+ *(Florida 17.3%)*;
- AVERAGE HHI — $50,138 (*Florida $47,661*); 13.7% are below poverty line;
- GENDER — 50.8% Female *(Florida 51.1%)*;
- TRAVEL TIME TO WORK — 26.2 minutes *(Florida 25.7%)*;
- RACE — 63.6% White *(Florida 75%)*; 20.8% Black *(Florida 16%)*; 26.9% Hispanic or Latino *(Florida 22.5%)*; and 4.9% Asian *(Florida 2.4%)*;
- BUSINESS OWNERSHIP — 113,155 businesses; 20.9% Hispanic or Latino *(Florida 22.4%)*; 10.9% Black *(Florida 9%)*; 6.1% Asian *(Florida 3.2%)*;
- EDUCATION — High school graduates 86.9% *(Florida 85.3%)*; Bachelor's degree 30.3% *(Florida 25.9%)*; and
- VETERANS — Approximately 69,870 (*out of 1,672,288 statewide*).

II. SITUATIONAL ANALYSIS

Secondary Market Demographics

PUTNAM COUNTY

Putnam County occupies over 727 square miles and is part of the greater Palatka micro MSA (*Metropolitan Statistical Area*). The county seat is Palatka and the largest municipalities are Crescent City, Interlachen, Pomona Park and Welaka

- POPULATION — 74,364; (*Florida 19,057,542 in 2011);*
- MEDIAN AGE — 77.4% 18+ *(Florida 78.7%)*; 18.9% 65+ (*Florida 17.3%);*
- MEDIAN HHI — $34,645 (*Florida $47,661*);
- GENDER — 50.4% female (*Female 51.1%)*;
- RACE — 77.3% White (*Florida 75%*); 16.2% Black (*Florida 16%)* Hispanic or Latino 9% *(Florida 22.5%)*; Asian 0.6% *(Florida 2.4%)*;
- TRAVEL TIME TO WORK — 28.7 minutes (*Florida 25.7*);
- BUSINESS OWNERSHIP — 5,259 businesses; 1) retail 2) accommodations and food service; Black-owned firms 8.5% *(Florida 9%)*;
- EDUCATION — High School graduates 78% *(Florida 85.3%)*; Bachelor's degree 12.2% *(Florida 25.9%)*; and
- VETERANS — Approximately 9,030 (*out of 1,672,288 statewide*).

SEMINOLE COUNTY

Seminole County occupies over 308 square miles and is part of the Orlando-Kissimmee MSA *(Metropolitan Statistical Area)*: The county seat is Sanford and the largest municipalities are: Sanford, Altamonte Springs, Casselberry, Lake Mary, Longwood, Oriedo and Winter Springs:

- POPULATION OVERALL — 422,718 *(Florida 19,057,542 in 2011)*;
- MEDIAN AGE — 77% 18+ *(Florida 78.7%)*; 12% 65+ *(Florida 17.3%)*;
- MEDIAN HHI — $58,971 (*Florida $47,661*); 9.8% are below the poverty line;
- GENDER — 51.6% Female *(Florida 51.1%)*;
- TRAVEL TIME TO WORK — 25.7 minutes *(Florida 25.7%)*;
- RACE — 78.2% White *(Florida 75%)*; 11.1% Black *(Florida 16%)*; 17.1% Hispanic or Latino *(Florida 22.5%)*; and 3.7% Asian *(Florida 2.4%)*;
- BUSINESS OWNERSHIP — 46,725 businesses; 11.2% Hispanic or Latino *(Florida 22.4%)*; 5.4% Black *(Florida 9%)*; 3.4% Asian *(Florida 3.2%)*;
- EDUCATION — High school graduates 90.7% *(Florida 85.3%)*; Bachelor's degree 33.6% *(Florida 25.9%)*; and
- VETERANS — Approximately 32,749 (*out of 1,672,288 statewide*).

II. SITUATIONAL ANALYSIS

Secondary Market Demographics

ST. JOHNS COUNTY

St. Johns County occupies over 600 square miles and is part of the greater Jacksonville MSA (*Metropolitan Statistical Area*). The county seat is St. Augustine and the largest municipalities are St. Augustine, Hastings, Marineland and St. Augustine Beach.

- POPULATION — 190,039 (*Florida 19,057,542 in 2011*);
- MEDIAN AGE — 76.9% 18+ *(Florida 78.7%)*; 15.7% 65+ (*Florida 17.3%*);
- MEDIAN HHI — $62,663 (*Florida $47,661*); 9.1% are below poverty line;
- GENDER — 51.4% female (*Florida 51.1%);*
- RACE — 89.3% White (*Florida 75%*); 5.6% Black (*Florida 16%*); 5.2% Hispanic or Latino *(Florida 22.5%)*; and 2.1% Asian *(Florida 2.4%)*;
- TRAVEL TIME TO WORK — 25.8 minutes (*Florida 25.7*);
- BUSINESS OWNERSHIP — 19,871 businesses; 1) retail 2) accommodation/food service; 2.3% Black *(Florida 9%)*; Hispanic or Latino 4.9% *(Florida 22.4%)*; 2.7% Asian *(Florida 3.2%)*;
- EDUCATION — 92.8% high school graduates (*Florida 85.3%*); 38.7% Bachelor's degree (*Florida 25.9%*); and
- VETERANS — Approximately 19,062 (*out of 1,672,288 statewide*).

Tertiary Market Demographics

ALACHUA COUNTY

Alachua County occupies over 969 square miles and is part of the Gainesville MSA (*Metropolitan Statistical Area*). The county seat is Gainesville. The largest cities are Gainesville, Alachua, Archer, Hawthorne, High Springs, Newberry and Waldo.

- POPULATION — 247,336; (*Florida 19,057,542 in 2011);*
- MEDIAN AGE — 82.1% 18+ *(Florida 78.7%)*; 10.8% 65+ (*Florida 17.3%);*
- MEDIAN HHI — $40,644 (*Florida $47,661*); 23.6% are below poverty line;
- GENDER — 51.6% female (*Female 51.1%)*;
- RACE — 69.6% White (*Florida 75%*); 20.3% Black (*Florida 16%);* 8.4% Hispanic or Latino *(Florida 22.5%)*; 5.4% Asian *(Florida 2.4%)*;
- TRAVEL TIME TO WORK — 20.4 minutes (*Florida 25.7*);
- BUSINESS OWNERSHIP — 20,676 businesses; Black–owned 7.8% *(Florida 9%)*; Hispanic or Latino 6.7% *(Florida 22.4%)*; 3.8% Asian *(Florida 3.2%)*;
- EDUCATION — High School graduates 89.7% *(Florida 85.3%)*; Bachelor's degree 40.9% *(Florida 25.9%)*; and
- VETERANS — Approximately 17,438 (*out of 1,672,288 statewide*).

II. SITUATIONAL ANALYSIS

Tertiary Market Demographics

BRADFORD COUNTY

Bradford County occupies over 300 square miles. The county seat is Starke and the largest municipalities are Starke, Brooker, Hampton and Lawtey.

- POPULATION — 28,520; (*Florida 19,057,542 in 2011);*
- MEDIAN AGE — 80.2% 18+ *(Florida 78.7%)*; 14.4% 65+ (*Florida 17.3%);*
- MEDIAN HHI — $41,126 (*Florida $47,661*); 16% are below poverty line;
- GENDER — 43.9% female (*Female 51.1%)*;
- RACE — 76.4% White (*Florida 75%*); 20.4% Black (*Florida 16%);* 3.6% Hispanic or Latino *(Florida 22.5%)*; 0.5% Asian *(Florida 2.4%)*;
- TRAVEL TIME TO WORK — 24.6 minutes (*Florida 25.7*);
- BUSINESS OWNERSHIP — 2,106 businesses;
- EDUCATION — High School graduates 76.4% *(Florida 85.3%)*; Bachelor's degree 8.6% *(Florida 25.9%)*; and
- VETERANS — Approximately 3,210 (*out of 1,672,288 statewide*).

DUVAL COUNTY

Duval County occupies over 918 square miles and is part of the Jacksonville MSA. The county seat is Jacksonville, which landwise is one of the largest municipalities in the world. The largest municipalities within Duval County are Atlantic Beach, Baldwin, Jacksonville, Jacksonville Beach, Orange Park and Neptune Beach.

- POPULATION — 864,263; (*Florida 19,057,542 in 2011);*
- MEDIAN AGE — 76.5% 18+ *(Florida 78.7%)*; 11.1% 65+ (*Florida 17.3%);*
- MEDIAN HHI — $49,463 (*Florida $47,661*); 14.2% are below poverty line;
- GENDER — 51.5% female (*Female 51.1%)*;
- RACE — 60.9% White (*Florida 75%*); 29.5% Black (*Florida 16%);* 7.6% Hispanic or Latino *(Florida 22.5%)*; 4.2% Asian *(Florida 2.4%)*;
- TRAVEL TIME TO WORK — 23.4 minutes (*Florida 25.7*);
- BUSINESS OWNERSHIP — 69,495 businesses; Black-owned 14.1% *(Florida 9%)*; Hispanic or Latino 6.3% *(Florida 22.4%)*; 4.9% Asian *(Florida 3.2%)*;
- EDUCATION — High School graduates 87.2% *(Florida 85.3%)*; Bachelor's degree 24.9% *(Florida 25.9%)*; and
- VETERANS — Approximately 86,673 (*out of 1,672,288 statewide*).

II. SITUATIONAL ANALYSIS

Tertiary Market Demographics

INDIAN RIVER COUNTY

Indian River County occupies over 503 square miles and is part of the Vero *(Micro)* MSA *(Metropolitan Statistical Area)*. The county seat is Vero Beach and the largest municipalities in addition to Vero Beach are Fellsmore, Indian River Shores, Orchid and Sebastian.

- POPULATION OVERALL — 138,028 *(Florida 19,057,542 in 2011)*;
- MEDIAN AGE — 81.2% 18+ *(Florida 78.7%)*; 27.2% 65+ *(Florida 17.3%)*;
- MEDIAN HHI — $47,347 (*Florida 47,661*); 12.6% are below the poverty line;
- GENDER — 51.6% Female *(Florida 51.1%)*;
- TRAVEL TIME TO WORK — 21.7 minutes *(Florida 25.7%)*;
- RACE — 84.3% White *(Florida 75%)*; 9% Black *(Florida 16%)*; 11.2% Hispanic or Latino *(Florida 22.4%)*; and 1.2% Asian *(Florida 2.4%)*;
- BUSINESS OWNERSHIP — 15,401 businesses; 4.9% Black-owned *(Florida 9%)*; 6% Hispanic-owned *(Florida 22.4%)*;
- EDUCATION — High school graduates 86.3% *(Florida 85.3%)*; Bachelor's degree 26.7% *(Florida 25.9%)*; and
- VETERANS — Approximately 16,453 (*out of 1,672,288 statewide*).

OSCEOLA COUNTY

Osceola County occupies over 1,321 square miles and is part of the Orlando-Kissimmee MSA. The county seat is Kissimmee and the largest municipality in addition to Kissimmee is the City of St. Cloud.

- POPULATION OVERALL — 268,685 *(Florida 19,057,542 in 2011)*;
- MEDIAN AGE — 73.8% 18+ *(Florida 78.7%)*; 11% 65+ *(Florida 17.3%)*;
- MEDIAN HHI — $46,328 (*Florida 47,661*); 13.3% are below the poverty line;
- GENDER — 51% Female *(Florida 51.1%)*;
- TRAVEL TIME TO WORK — 30.21 minutes *(Florida 25.7%)*;
- RACE — 71% White *(Florida 75%)*; 11.3% Black *(Florida 16%)*; 45.5% Hispanic or Latino *(Florida 22.4%)*; and 2.8% Asian *(Florida 2.4%)*;
- BUSINESS OWNERSHIP — 24,646 businesses; 37.6% Hispanic-owned *(Florida 22.4%)*; Asian-owned 5.4% *(Florida 3.2%)*;
- EDUCATION — High school graduates 84.4% *(Florida 85.3%)*; Bachelor's degree 18.3% *(Florida 25.9%)*; and
- VETERANS — Approximately 16,660 (*out of 1,672,288 statewide*).

II. SITUATIONAL ANALYSIS

Other Market Demographics

POLK COUNTY

Polk County occupies over 1,874 square miles and is part of the Lakeland MSA *(Metropolitan Statistical Area)*. The county seat is Bartow and the largest municipalities are Lakeland, Winter Haven, Haines City, Auburndale and Lake Wales:

- POPULATION OVERALL — 602,095 *(Florida 19,057,542 in 2011)*;
- MEDIAN AGE — 76.5% 18+ *(Florida 78.7%)*; 18% 65+ *(Florida 17.3%)*;
- MEDIAN HHI — $43,946 (*Florida $47,661*); 15.2% are below the poverty line;
- GENDER — 51% Female *(Florida 51.1%)*;
- TRAVEL TIME TO WORK — 25.4 minutes *(Florida 25.7%)*;
- RACE — 75.2% White *(Florida 75%)*; 14.8% Black *(Florida 16%)*; 17.7% Hispanic or Latino *(Florida 22.4%)*; 1.6% Asian *(Florida 2.4%)*;
- BUSINESS OWNERSHIP — 45,012 businesses; 12.8% Hispanic or Latino *(Florida 17.3%)*; 7.1% Black *(Florida 9%)*; 3.3% Asian *(Florida 3.2%)*;
- EDUCATION — High school graduates 81.9% *(Florida 85.3%)*; Bachelor's degree 18% *(Florida 25.9%)*; and
- VETERANS — Approximately 55,380 (*out of 1,672,288 statewide*).

SUMTER COUNTY

Sumter County occupies over 580 square miles and is part of The Villages *(Micro)* MSA (*Metropolitan Statistical Area*). The county seat is Bushnell, with the largest municipality being Wildwood. The largest unincorporated community is The Villages. There are 29 municipalities and communities in Sumter County:

- POPULATION OVERALL — 93,420 *(with "snowbirds" approximately 112,100)*;
- MEDIAN AGE — 90.9% 18+ *(Florida 78.7%)*; 43.4% are 65+ *(Florida 17.3%)*;
- MEDIAN HHI — $43,079 (*Florida $47,661*); 11.2% are below the poverty line;
- GENDER — 48% Female *(Florida 51.1%)*;
- TRAVEL TIME TO WORK — 28.6 minutes *(Florida 25.7%)*;
- RACE — 83% White *(Florida 75%)*; 12.1% Black *(Florida 16%)*; Hispanic or Latino *(Florida 22.5%)*; 0.7% Asian *(Florida 2.4%)*;
- BUSINESS OWNERSHIP — 5,207 businesses; Hispanic or Latino 4.5% *(Florida 22.4%)*;
- EDUCATION — High school graduates 84.5% *(Florida 85.3%)*; Bachelor's degree 19% *(Florida 25.9%)*; and
- VETERANS — Approximately 16,493 (*out of 1,672,288 statewide*).

III. MESSAGE STRATEGY
Audience Definition

A. SHOPPERS

According to a recent national study by Deloitte and Touche, 15% of all retail customers are considered to be loyal, and represent 55% of total retail sales. And over 60% of retail sales come from such loyal patrons who participate in Frequent Shopper/Loyalty Programs. These numbers are expected to increase over 10% per year for each of the next several years. Those customers who are members of such programs visit their favorite stores 58% more frequently than do non-program shoppers. According to a national study by A.C. Nielsen, 6-out-of-10 households belong to more than one frequent shopper or loyalty program. Moreover, 82% use their card each time that they shop.

To market to frequent shopper prospects, Downtown Daytona Beach must: 1) Identify who they are; 2) Determine what is important to them; 3) Determine what form of program will keep them coming back. We recommend that our Beach Street retail area merchants have such a program, which is shown in our Tactical Plan attached.

Retailers must also do more than acquire new shoppers. They must establish relationships with each of them to increase their frequency of purchase and the amount they spend. A national study by A.C. Nielson and Technical Assistance Research found that retailers can increase their profits more than 80% by retaining just 5% of their loyal customers. Importantly, the study also showed:

- Only 4% of unhappy customers bother to complain to the retailer;
- For every complaint received, most retailers have 26 additional customers with complaints, 6 which are considered to be serious;
- A customer with a complaint will tell an average of 9-10 others outside the store about it; and
- Of customers who complain, nearly two-thirds will remain a customer if their complain is resolved.

The following are the top five reasons shoppers give for choosing one retail store over another, along with the index for each:

1. CONVENIENT LOCATION — 100%;
2. STORE VALUE *(Versus "Price")* — 60%;
3. FREQUENT SHOPPER PROGRAM — 60%;
4. ASSORTMENT OF MERCHANDISE — 51%; and
5. CLEANLINESS OF STORE — 47%.

Importantly, product, style, quality, service and price all scored lower than these.

III. MESSAGE STRATEGY

Audience Definition

The demographics of frequent shoppers are somewhat surprising. The average household income is moderate at best, making two-to-three shopping trips a week. Also, no city in Florida is in the top ten of U.S. frequent shopper markets.

These data on shoppers is critical to Downtown Daytona Beach because questions have been raised about patron demographic merchant customer service, responsiveness, great participation in frequent shopper programs, store cleanliness and more.

DINERS

Our primary market area has over a thousand places to dine and be entertained. Our secondary market has thousands more.

Dining out in particular has become a more popular concept in recent years. According to a recent national spending report by A.C. Neilsen, 27 percent of adult Americans say they spend more at restaurants than they planned to, and dining out has increased 5 percent just since November 2011. The top three reasons cited for these increases are:

- Americans are traveling more for leisure here of late, but also to work;
- Americans are working longer hours and have less time to cook at home; and
- Many Americans believe that dining out is cheaper than cooking at home.

In 2011, 92% of consumers ate at a sit down restaurant at least once a month and 87% purchase a meal at a quick service restaurant once a week. Fast food outlets dominate food service landscape, accounting for 63 percent of total restaurant sales. Recreation and entertainment based food service has shown the largest amount of growth over the last decade as follows:

- RECREATION AND ENTERTAINMENT — Increased 163%;
- RETAIL HOSTS — Increased 161%; and
- CATERERS — Increased 144%.

From a marketing stand point, much has changed recently. In 2011, 43 percent of all consumers and 55 percent of social media savvy consumers said that dining out had become an essential part of their lifestyle, according to the National Restaurant Association. Therefore, dining in our retail area should be growing.

According to Zagat, the type of dining out has changed as well, with the top five most prominent trends in dining establishments in 2011 being:

III. MESSAGE STRATEGY

Audience Definition (Continued)

DINERS

1. POP-UP CONCEPTS — Those on city streets that are mobile, such as "Whats Happening When," and "America Eats Tavern" (*from chef Jose' Andres*) in New York City;
2. BEER GARDEN CONCEPTS — Beer-centrie cuisine, such as "Steingarten" and "Berlin Currywurst" in Los Angeles;
3. CHAIN EXPANSIONS — Especially notable fast-casual chains like In-N-Out-Burger, Sprinkles Cupcakes and Smashburger all opening in major Metropolitan areas;
4. FOOD TRUCKS BECOMING BRICK-AND-MORTAR — Permanent homes for popular food trucks, such as "Honest Tom's Tacos" in Philadelphia, "Sauca" in Washington and "Coolhars" in Los Angeles; and
5. IZAKAYAS — Charming sake-centre Japanese small-plate eateries such as "Lure" in Chicago's Chinatown, "Hech, Nojo" in San Francisco and "Royal Sushi" in Philadelphia.

Additionally, nearly 50% of consumers' food budget is now spent at restaurants, which has double over the last few decades. And when dining out, National Restaurant Association reports that the five most popular main dishes in 2011 (*other than fast food*) were:

1. Locally sourced meats and seafood;
2. Sustainable seafood;
3. Smaller portions for smaller prices;
4. Newly fabricated cuts of meat; and
5. Non-traditional fish.

The five most popular side dishes were:

1. Black rice;
2. Quinoa;
3. Red rice;
4. Vegetable pickles; and
5. Asian noodles.

And the five most popular nonalcoholic beverages were:

1. Specialty ice tea;
2. Organic coffee;
3. Agea fresca;
4. House-made lemonade; and
5. Flavored and/or enhanced water.

The restaurants in our Beach Street retail area should take advantage of these important trends.

III. MESSAGE STRATEGY

Audience Definition (Continued)

DINERS

Technology is a popular marketing means for guests to find the best local cuisine at the best price, as well as to share their experiences with other diners. For instance:

- 80% of restaurant operators say social media has become an important tool to attract customers; and
- 55% of chefs say they currently use social media themselves to search for restaurants with an additional 16% saying they are starting to use it.

Groupons have become popular as well, with more than 50 million people subscribing to this program and saving nearly $1 billion in 2011.

These data regarding dining is critical to Downtown Daytona Beach because the unique types of food that consumers are eating, and where they are consuming them, fit our Unique Selling Proposition. Moreover, the frequency of dining these days represents a growth opportunity for our retail area and the contemporary tools to reach diners are found in our Tactical Plan.

ENTERTAINMENT SEEKERS

It is little surprise that the entertainment area represents a growth opportunity for Downtown Daytona Beach retail area, as entertainment, recreation arts fields are expected to grow about 15 percent per year for the next five years according to the U.S. Department of Labor. This represents over a third more growth than most other industries. And fitness centers lead the way, largely due to a swelling Baby Boomer population that is concerned with staying healthy and having fun.

The movie theater segment of the entertainment industry has been in decline since 2002, both in terms of tickets sold and revenue. Today, there are more than 2,000 companies operating about 5,300 theaters in the U.S. In Volusia County, there are 10 theater locations, which makes for a very competitive environment. These theaters include:

- Cinematique of Daytona, Daytona Beach;
- Epic Theatres, Deland;
- Hollywood Theaters, Port Orange;
- Little Theatre, New Smyrna Beach;
- Market Place Cinema, Orange City;
- Ocean Walk Movies 10, Daytona Beach;
- Port Orange 6 Theatre, Port Orange;
- Regal Cinemas, Ormond Beach;
- Sands Theatre, Deland; and
- Shoestring Theatre, Lake Helen.

III. MESSAGE STRATEGY
Audience Definition (Continued)

ENTERTAINMENT SEEKERS

The museum and arts industry segments of the entertainment industry are growing. These quality yet affordable forms of entertainment among local populations and tourists. There are about 6,600 companies operating less than 7,000 museums in the U.S. In Volusia County, there are about 17 museums, which means there is a great deal of competition for these product offerings located in our Beach Street retail area. These museums include:

- African-American Museum of Arts;
- Atlantic Center for the Arts;
- Chief Master Museum at Arms House;
- Daytona Beach Museum of Arts and Sciences;
- Deland House Museum;
- Deland Naval Air Station Museum;
- Dunlawton Plantation and SugarMill;
- Gillespie Museum of Minerals;
- Halifax Historical Society Museum;
- Museum of Florida Art;
- New Smyrna Museum of History;
- Old Deland Memorial Hospital Museum;
- Ormond Beach Historical Trust;
- Ormond Memorial Art Museum & Gardens;
- Ponce De Leon Inlet Lighthouse Museum;
- Saint Rita Mission Museum; and
- West Volusia Hospital Society Museum.

Demographically, those who frequent museums tend to be somewhat older, better educated, with higher incomes than the population at large.

The significance of these data is that having our Beach Street retail area become a hub for unique forms of entertainment would fit well with our positioning as a unique retail destination and promises future growth. Additionally, it takes advantage of a growth industry, which is certainly important to our growth and well-being.

III. MESSAGE STRATEGY

Audience Definition (Continued)

MILITARY

Military personnel, their dependents, civilian employees and contractors fill the bases within our primary market area. The bases in and nearby Volusia County alone serve thousands of such persons daily, which include those stationed at the following among others:

- 45^{th} Space Wing;
- 920^{th} Rescue Wing;
- Air Force Space Command;
- Air Force Technical Applications Center;
- Canaveral Air Force Station;
- Eastern Range Command;
- Florida National Guard Base, Sanford;
- US Coast Guard Base, New Smyrna Beach;
- US Army Reserve Base, Daytona Beach; and
- US Navy JROTC, New Smyrna Beach.

Also in our secondary geographic market are, the United States Coast Guard operates units at Port Canaveral and Fort Pierce. Plus, the United States Navy operates the Naval Air Warfare Center at the University of Central Florida in Orlando. Additionally, more than 250,000 veterans call our catchment area home.

The import of these bases begins with the incomes and spending ability of military personnel. And according to a 2011 Congressional Budget office report, the media compensation for both servicemen and officers exceed those of their civilian government counterparts. From a marketing standpoint, this is an easy to reach constituency that is often overlooked.

COLLEGES/UNIVERSITIES/STUDENTS

Institutions of higher learning can be viable prospects for special events guests. The following is a partial list of these institutions. These colleges and universities combine to have thousands of faculty and staff members, plus nearly a half million students in our catchment area. The following are some of these institutions in our primary and secondary market areas:

STATE UNIVERSITY SYSTEM

- University of Central Florida — Orlando *(Students: 56,235)*.

FLORIDA COLLEGE SYSTEM

- Brevard Community College — Cocoa *(Students: 14,616)*;
- Daytona State College — Daytona Beach *(Students: 18,497)*;

III. MESSAGE STRATEGY

Audience Definition (Continued)

COLLEGES/UNIVERSITIES/STUDENTS

- Indian River State College — Multiple Campuses *(Students: 17,511)*;
- Palm Beach State College — Lake Worth *(Students: 52,238)*; and
- Valencia Community College — Orlando *(Students: 35,351)*.

PRIVATE COLLEGES AND UNIVERSITIES

- Florida Hospital College of Health Sciences — Orlando *(Students: 2,600)*;
- Florida Institute of Technology — Melbourne *(Students: 6,400)*;
- Full Sail University — Winter Park *(Students: 11,300)*;
- Keiser University — Multiple Campuses;
- Orlando Culinary Academy — Orlando;
- Palmer College of Chiropractic — Daytona Beach;
- Prince of Prestige Academy, School of Digital Motion Picture Production in Maitland; and
- The Digital Animation and Visual Effects School — Orlando.

OTHER PRIVATE INSTITUTIONS

- Bethune-Cookman University — Daytona Beach *(Students: 4,000)*;
- Embry-Riddle Aeronautical University — Daytona Beach *(Students: 80,000 at 90+ campuses)*;
- Rasmussen College and Webster College — Multiple Campuses;
- Rollins College — Winter Park *(Students: 2,715)*;
- Stetson University — Deland *(Students: 3,700)*; and
- University of Phoenix — Orlando *(Students: 490,000 at 204 campuses)*.

VOCATIONAL

- Advanced Technical College — Daytona Beach;
- International Academy Beauty School — South Daytona;
- Phoenix East Aviation — Daytona Beach;
- The Airline Academy — Daytona Beach; and
- WyoTech *(formerly AMI)* — Daytona Beach.

III. MESSAGE STRATEGY

Audience Definition (Continued)

LEISURE TOURISTS

TOURISM NATIONALLY

In 2010, the top leisure travel activities for U.S. domestic travelers (*in order*) were visiting relatives, shopping, visiting friends, rural sightseeing and beaches. Spending on leisure travel generate $82 billion in tax revenue. The leading sources of travel spending (*in order*) are food services, public transportation, lodging, auto transportation, recreation/amusement and retail.

VISITATION AND SPENDING STATEWIDE

Florida is the second most visited state by U.S. tourists *(behind California)*, and the third most visited state by overseas travelers *(behind New York and California)*. And the Central Florida region of which Daytona Beach is an important part of the most visited part of the state overall.

Tourism is our state's leading industry. Exceeding the previous high of 84.5 million in 2007, an estimated 85.9 million visitors came to Florida in 2011 — a 4.4% increase from 2010, which was a year of decline. Tourism-related spending and tax revenues in 2011 reached record highs as well, with an estimated $67.3 billion in taxable sales and $4 billion in sales tax revenues — a 7.2% increase from 2010. This exceeds the previous statewide highs of $65.5 billion in 2010 and $3.9 billion in 2077. Tourism-related sales tax revenues represented 23% of all sales tax generated.

TOURISM IN VOLUSIA COUNTY

In fiscal year 09-10, resort tax revenues were down 2.55% in Volusia County — an improvement over the 11.45% decrease Volusia County experienced in FY 07-08. In 2009, 6.75 million visitors came to the area and spent $3.7 billion.

Some of the major attractions in our county include the following:

- Daytona International Speedway;
- Jackie Robinson Ballpark;
- New Smyrna Speedway;
- Ponce De Leon Inlet Lighthouse and Museum;
- The Ocean Center;
- Volusia County Fair and Expo Center; and
- Volusia Speedway Park.

Many of our visitors also come for meetings and conventions here. And these business gatherings can often be a valuable venue for our retail area to market its services to this valuable captive audience. The City of Daytona Beach and our retail area attracts a great number of guests from the greater Orlando area as well. The relevant demographics of this area include the following:

III. MESSAGE STRATEGY
Audience Definition (Continued)

LEISURE TOURISTS

The City of Daytona Beach and our Beach Street retail area also attract a great number of guests from the greater Orlando area. The relevant demographics of the area include thd following:

GREATER ORLANDO VISITORS

- The area attracts about 45 million visitors each year;
- About 80% traveled to the area for leisure purposes, while 22% traveled for business;
- Six-out-of-ten of leisure travelers visited an area theme park;
- International visitation has been down the last few years;
- Orlando International and Orlando-Sanford International Airport traffic has been down as well;
- About three quarters of area visitors drive here;
- The average occupancy rate has been down substantially in this area's 447 hotels;
- The average party size for leisure travel in about three persons;
- The average visitor's age is 42 years, who has an average HHI of more than $80,000; and
- Convention business has been down in recent years.

NOTE: Data prepared by D.K. Shifflet & Associates.

DEMOGRAPHIC COHORTS

It is critical to understand who the guest and prospective guests for Downtown Daytona Beach retail area are. And they vary by establishment and event. Overall, the largest cohort according to our merchants are Baby Boomers, but others are as well. These are defined as follows:

- DEPRESSION COHORT — Those who were born from 1912 to 1921. Memorable events and influencers for this group include the "The Great Depression," with its high levels of unemployment, financial uncertainty, lack of creative comforts and "waste not, want not" attitude;
- PRE-WORLD WAR II COHORT — Those who were born from 1922 to 1927. Memorable events and influencers for this group include mom leaving to go to war and families being broken up, and key characteristics included those of patriotism and sacrifice;

III. MESSAGE STRATEGY

Audience Definition (Continued)

DEMOGRAPHIC COHORTS

- WORLD WAR II COHORT — Also known as "Baby Bust I," it includes those who were born from 1928 to 1946. Memorable events and influencers for this group include "The Cold War," sustained economic growth, "McCarthyism," conservatism and traditional family values;
- BABY BOOMER COHORT #1 — Those who were born from 1946 to 1957. Memorable events and influencers for this group include the assassinations of JFK, Robert Kennedy and Martin Luther King, political unrest, the space race, the Vietnam War, social/sexual/drug experimentation and the civil rights and women's movements. Key characteristics include experimentation, individualism and social cause orientation;
- BABY BOOMER COHORT #2 *("Generation Jones")* — Those who were born from 1957 to 1964. Memorable events and influencers for this group include the Nixon administration and Watergate, the Cold War, the Oil Embargo, gasoline shortages, high inflation and disco music;
- GENERATION X COHORT — Also known as "Baby Bust II," it includes those who were born from 1964 to 1976. Memorable events and influencers for this group include the development and expansion of the home computer, single parent families, the end of the Cold War, AIDS and MTV; and
- GENERATION Y COHORT *("Millennials")* — Also known as "Echo Boomers," it includes those who were born from 1981 to 2010. Memorable events and influencers for this group include the rise of the Internet, the September 11th attacks, two major wars, cultural diversity and the global financial crisis.

NOTE: Those born from 1976–1994 have also been referred to as "Echo Boomers."

III. MESSAGE STRATEGY

"Unique Selling Proposition"

OVERALL

The "Unique Selling Proposition" *(USP)* refers to a marketing statement or concept that describes how a product or service is different or can standout from all others. The statement should encapsulate the unique benefits that distinguish it as a brand. It must also be strong enough to inspire the intended audiences to take the desired next step *(ranging from seeking more information to immediate trial, depending on the product/service category, or increasing the monetary/time investment required or frequency of purchase)*. The idea is to claim a position that no one else can, or has used. To that end, we have created and will use the USP for our retail area to good advantage.

In general, our Unique Selling Proposition is in fact, unique in our catchment area. That in a remarkably beautiful waterfront downtown area, our retailers provide an unequalled heretofore in the local market and soon to be unsurpassed in any other. Four means of expressing this which were evaluated recently by our merchants and steak holders. Each of these USPs represents Downtown Daytona Beach. However, the proposition that was best-liked and resonated the most with our constituents is in our recent guest research study was as follows. And this message will underpin all of our marketing communications efforts:

To convince our target audiences that our historic Beach Street retail area is *Florida's most unique, most beautiful waterfront shopping, dining and entertainment destination.*

IV. BRANDING ELEMENTS

BRAND IMAGE AND PROMISE

Our Brand Image refers to the thoughts, feelings, attitudes, associations and valuation that constitute consumers' perception of our retail area's brand and their relationship with it. The strength of brand's image is a function of Brand Awareness—the "share of mind" a product or service has achieved. Brand awareness is measured by a constituency's ability to identify and recall a brand, along with its various marketing elements, tools and tactics.

Our Brand Promise is our retail area's vision of what the brand must be and what it should accomplish for various constituencies. This promise is the essential commitment that makes a real, compelling and valuable USP possible.

Our promise is that our retail area provides an exceptional guest experience, at our beautiful riverfront locale and through our unique products, personalized guest service, and by personnel that are truly dedicated to the shopping, dining, entertainment, hospitality and destination marketing and management industries.

IV. BRANDING ELEMENTS
(Continued)

BRAND IDENTITY

Our Brand Identity is the verbal and visual marketing expression of a product, service or organization. It can be presented in many forms, such as its nomenclature, symbol *(or "graphic identity")* and themeline *(or "slogan")*. Each should reflect—and definitely effect—the personality of our product or service.

It was incumbent upon our DDA Board to establish an effective, brand name *(or "nomenclature")* for our retail area. Importantly, the effective brand name needed to be:

- DISTINCTIVE — Distinguishing our retail from all other mainstreet or shopping/dining districts;
- PROTECTABLE — Available for registration with the United States Patent & Trademark Office, as well for our domain names;
- MEMORABLE — In order to be effective marketing tools;
- RELEVANT — Suggesting our attributes, assets and benefits that past, present and prospective guests prefer most;
- TRANSLATABLE — Into the dialects and languages of our present and future audiences; and
- PLEASANT SOUNDING — In order to be well-liked and favorably regarded.

We believe that we have successfully accomplished each of these aims with new name, which scored highest by a substantial margin in our recent quantitative research study: ***"Riverfront Shops of Daytona Beach."*** *(Please note that a great number of our local respondents referred to the area simply as "Daytona.")*

- OUR SYMBOL — Using the colors, typeface and symbol of water, a palm and sunrise that is a graphic representation of our beautiful location created for DDA, these elements have also been used to create a new design for our new retail area's name. This design style is also compatible with the downtown retail areas architecture and signage. With this combination of branding elements, our brand identity meets the following criteria:
  - LOGO AND THEMELINE — Create a unique identity distinguished from the competition by strength and meaning;
  - TYPOGRAPHY — Overcomes marketing clutter in general;
  - COLORS — Suggests our tropical waterfront location that is seen as positive among the majority of our guests and prospects; and
  - OVERALL IMAGE — Strongly emphasizes our strength and sense of community pride.

IV. BRANDING ELEMENTS
(Continued)

BRAND IDENTITY

A product or service's brand recognition and perception is influenced—and largely made possible—by its graphic *(or brand)* identity and visual presentation. This presentation involves typography, symbols, colors and more, which are recommended for "Riverfront shops of Daytona Beach" as follows:

- OUR MAIN COLORS — Color has an effect on one's emotions and the way a product or service is perceived. Therefore, it is wise for us to be conscious of what the color used in our marketing program convey:
  - *Rich Gold:* This is a color associated with history, nobility and wisdom—all positive qualities that reflect well on our retail area; and
  - *Blue:* Blue and Teal are often used in the tourism and destination marketing industry to represent water, and obviously suggests our waterfront location. These colors also evoke a sense of peace and serenity. Freshness, cleanliness and strength have long been associated with these colors too, which is why they are used in product designs for cleaning products, breath mints, et cetera.

- OUR TYPEFACE — Our typeface is a distinctive collection of san serif characters. And like our use of color, it makes a profound statement about who we are and what we are like. The type style that is used has been chosen based on its simplicity, legibility and appropriateness for our audiences and message, as well as its reproducibility and practicality.

IV. BRANDING ELEMENTS
(Continued)

RIVERFRONT
SHOPS OF
DAYTONA BEACH

RIVERFRONT
SHOPS OF DAYTONA

IV. BRANDING ELEMENTS
(Continued)

SYMBOL

As a new symbol is critical in order to effectively brand our retail area, it is recommended that a range of new designs be created and evaluated in primary research, along with that which is shown here.

BRAND IDENTITY

Often referred to as "slogans," themelines are memorable mottos that express a product or service's band promise or "Unique Selling Proposition." The word "slogan" comes from the Anglicization of the Scottish/Irish phrase *sloagh-ghairim*, meaning "army *(or war)* cry." The "war cry" for the newly named Riverfront Shops of Daytona emphasizes that ours is a shopping, along with our dining, entertainment and attractions where beauty and uniqueness are valued above all.

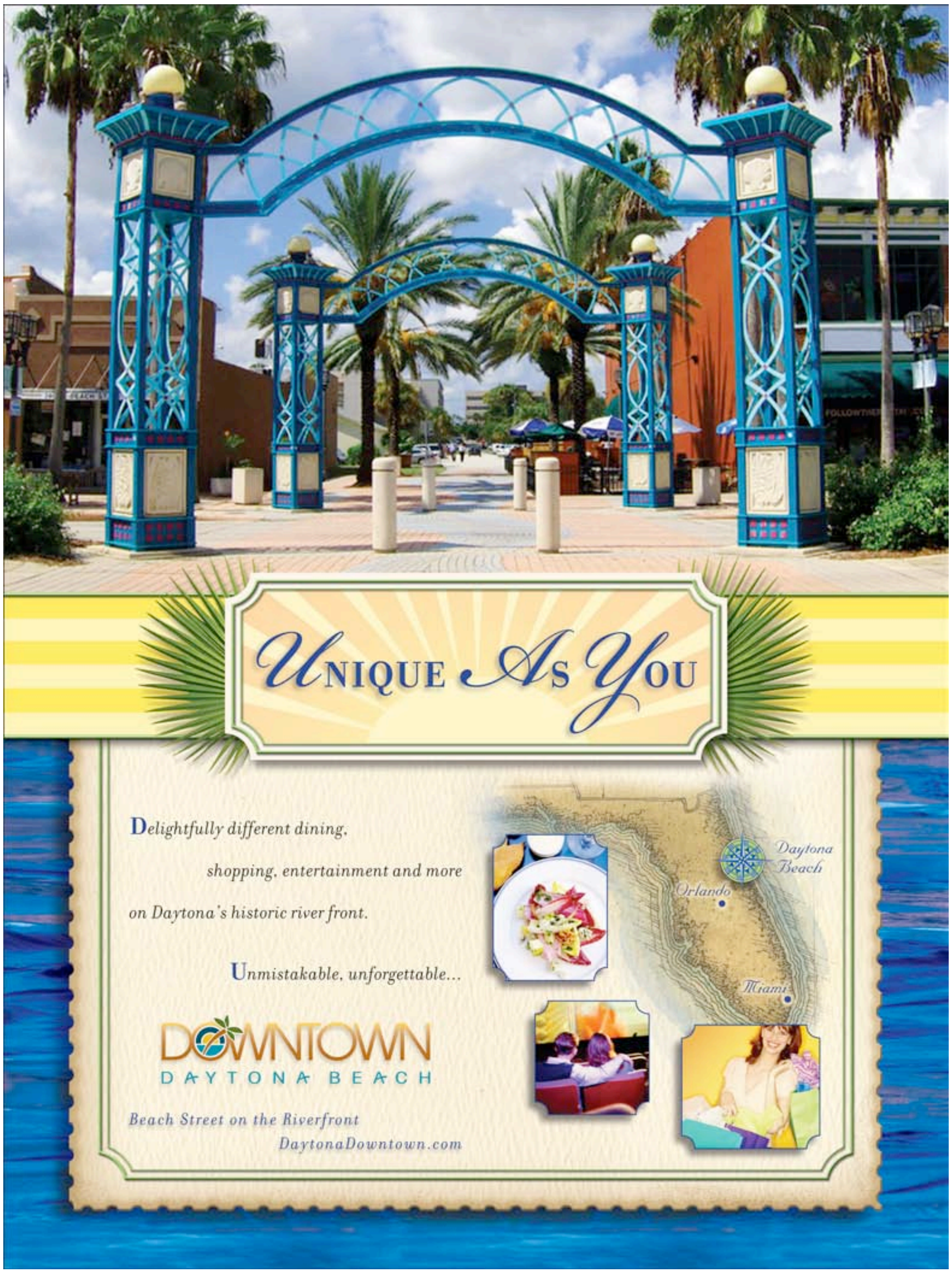
In our recently completed quantitative research study, a number of themelines were presented. And the following was preferred most among a statistically significant sample of qualified guest and prospects by a wide margin over all others:

"Coastal Charm. Downtown Dazzle."

V. ADVERTISING CAMPAIGN

Six substantially different campaign layout directions were created and tested in our April 2012 marketing research study, demonstrating various means by which our "Unique Selling Propositions" could be expressed. Each of the campaign approaches used a powerful poster format to communicate with our Beach Street retail area's target audiences. It was anticipated that the direction selected, if any, would be adapted for all such audiences and media types. The layout that follows was favored by a great majority of the respondents:

V. ADVERTISING CAMPAIGN



V. ADVERTISING CAMPAIGN

Research Findings

STUDY BACKGROUND

- STUDY PURPOSE — To gain critical marketing insight necessary to attract and engage shoppers, diners and entertainment goers in our primary and secondary advertising markets;
- RESPONDENT UNIVERSE — Over 11,000 respondents from the Downtown Development Authority's most recent database of past and prospective guests to the Beach Street retail area. These included full-time and part-time residents, tourists, local business professionals and other stakeholders;
- DEMOGRAPHICS — More females responded to the study than males, with most being persons of moderate incomes. The majority of respondents were 45-64 years of age—especially Baby Boomers; and
- FREQUENCY — The majority of respondents claimed to have shopped and dined in our retail area at least four times in the last twelve months.

MARKETING CONCEPTS

- DESCRIPTION — An explanation of the ideal shopping, dining and entertainment experience was presented to respondents. The vast majority of respondents indicated that the statement would cause them to recommend the retail area to a friend;
- MOST MOTIVATING BENEFITS — Those benefits attributes of the retail area that participants preferred most was the *beautiful waterfront environment*. This was consistent among all respondent demographics;
- FAVORITE THEMELINE — ***"Coastal Charm. Downtown Dazzle."*** was the themeline that was preferred most by both past and prospective guests;
- FAVORITE AD CONCEPTS — The advertising directions that were preferred most overall were approaches that featured photographs of the area;
- DEMOGRAPHIC AD PREFERENCE — There was little difference between the campaign concepts that younger respondents preferred most and those preferred by older respondents. Higher income respondents preferred the same concepts as lower income prospects; and
- FAVORITE NAME — The retail area name that was preferred most by all respondent demographics was: ***"Riverfront Shops of Daytona Beach."***

V. ADVERTISING CAMPAIGN

Research Findings (Continued)

THE BOTTOM LINE

- REENGAGEMENT OPPORTUNITY — There appears to be a fair amount of "trier-rejection" among past guests who must be reengaged and greater numbers recruited more appropriately;
- PRODUCT IMPROVEMENT — Most research respondents were satisfied with their last visit to the area. However, there was some dissatisfaction with specific product shortcomings, which should be addressed as soon as possible *(such as inconsistent hours of operation, the need for more things to see and do and safety)*;
- PRODUCT FEATURES — The most motivating features to stimulate shopping and dining attendance was the unique, beautiful, waterfront location; and
- AWARENESS — Our message and "share of voice" must be increased among each audience segment and many of the tools and tactics employed heretofore are not those that reach and resonate with them.

VI. TACTICAL PLAN

OVERVIEW

The tactical plan that follows provides detailed information regarding all of the primary tools, tactics and vehicles that were expressed by respondents in our primary research as most effective in order to accomplish the stated marketing objectives for our retail area. The percentages *(and thereby the dollars)* allocated for each are based on sound industry principals and the local market costs required to sufficiently reach our various intended audiences with the requisite frequency and production values to penetrate and dominate our catchment area. Additionally, in determining the best marketing tools and facts for our retail area, the following tried-and-true principles were also employed:

- Not spreading our retail area marketing dollars too thinly across too many tools or tactics, to avoid weakening the campaign's effectiveness overall;
- Understanding what really makes our retail area distinctive and the audiences that this appeals to most;
- Setting marketing objectives and execute a strategy before spending money;
- Studying the local/regional market environment, especially those things that cannot be controlled;
- Being careful of "quick fixes", knowing that effective marketing always takes time and consistency;
- Being distinctive, as "me too" never stands out.

VI. TACTICAL PLAN

Campaign Overall

The following is a description of the online and offline media tools and tactics to be employed to promote our retail area during the 2012 Year Remaining, as well as FY 2012-2013. A review of all area media considered and their readership/ viewership/listenership information may be found in the ADDENDUM.

Advertising Media Breakdown

OFFLINE MEDIA — Television/Cable

Television advertising was cited by quantitative research participants as the most effective means of reaching them. TV is also still generally considered the most impactful and persuasive mass-marketing media type. Commercials may be purchased individually or in flights. Cable generally allows for greater targeting geographically. Plus use among our more senior audiences is higher than their use of any other media.

Many network affiliates and local news stations feature community-oriented news, which should present an affordable and highly relevant advertising opportunity for our retail area. However, production costs for this media can be prohibitive on a local level.

Recommendation

As television remains the most powerful branding vehicle today and cable can be targeted by community *(even by zip code)*, it is recommended as a primary media vehicle. Brighthouse Cable reaches 97% of our primary catchment area. However, a disproportionately high percentage of the budget must be expended on production in 2012 Year Remaining, especially given our “unique” and quality messaging and mission.

ONLINE MEDIA — SEM

Industry data, experience and our most up-to-date primary research confirm how rapidly the Internet has become a primary information source for all of the populations that we are trying to reach. This includes, for instance, how prospective guests gather entertainment information and adults of all ages conduct research on their shopping, dining and entertainment choices. Online advertising takes advantage of the range of marketing vehicles available in today’s vibrant “new media” landscape. Primary examples include keyword-targeted ads that appear on search engine results pages, banner ads, contextual text ads, rich media ads, online classified, ad networks and through e–mail marketing.

VI. TACTICAL PLAN

Advertising Media Breakdown (Continued)

OFFLINE — Radio

Radio is a vertically targeted media vehicle, as most stations only hit one segment of an overall demographic *(e.g., sports stations primarily reach men 25-49 and generally miss women and older audiences*). It is highly fragmented with literally hundreds of radio signals reaching our primary market area. Still, radio advertising can be very successful, creating conversation, impact and interest within a campaign. Beyond simply purchasing ad flights, partnerships with stations can be arranged for giveaways, remote broadcasts, live chatter and other promotional opportunities. Radio can be used to build excitement for events and festivals

Radio Formats

The following are the key radio formats that must be considered to reach our various constituencies:

- ADULT CONTEMPORARY — A broad style of popular music that ranges from the vocal music of the 1960s, to predominantly ballad-heavy music thereafter with varying degrees of rock influence. AC radio plays mainstream music that often target listeners 25-54 years old;
- AOR *(ALBUM-ORIENTED ROCK)* — This was originally an FM radio format that focused on album tracks by rock music artists in the mid-1960s and gained popularity in the mid-1970s. Today, AOR stations play both classic rock and current-based alternative rock;
- CLASSICAL — The term "classical music" originates from the Latin term "classicus," meaning a person of the highest class. Today, classical music is defined as that relating to, or being music in, the educated European tradition. It includes such forms as art song, chamber music, opera and symphony;
- CLASSIC ROCK— Developed from the AOR *(Album-Oriented Rock)* from a play list of songs ranging from 1960 to the end of the 1970s;
- COUNTRY — This is a format that is popular throughout the United States which focuses today on "pop country," though some stations still specialize in older traditional country;
- GOLDEN OLDIES — Usually refers to music from the '50s and '60s, but at times includes some music from the 1940s;
- NEWS/TALK — A format containing discussion about topical issues. Variations of Talk Radio include Conservative Talk, Progressive Talk and Sports Talk;
- OLDIES — Commonly describes music from 15 to 55 years before the present day. However, the format originally meant 15 years from the birth of Rock 'N Roll to the start of the singer-songwriter era *(or 1955-1972).* Oldies is sometimes used synonymously with Classic Rock;

VI. TACTICAL PLAN

Advertising Media Breakdown (Continued)

OFFLINE — Radio

- TOP 40 — This radio format is based on frequent repetition of songs from a constantly updated play list of the 40 best-selling singles at a particular time. When founded in the 1950s, this format placed less value on music genres and artists, and concentrated entirely on repetitive play; and
- URBAN CONTEMPORARY — These stations feature a play list made up of hip hop/rap, contemporary R&B, pop, electronica and Caribbean. It was developed through characteristics of genres such as R&B and Soul and the target listeners are primarily African-American, ages 18 to 34.

Recommendation

There is a great deal of marketing waste from geographic and demographic standpoints with radio in our service area. Plus, radio was ranked low in our primary research. Therefore, radio is not recommended as an ongoing media vehicle, but should be used to promote certain events and festivals if dedicated dollars are available to do so.

OFFLINE — Newspapers

Newspaper today is a media vehicle struggling to find its place in the digital world and down turned economy. This can be seen in the decline of newspaper readership throughout the U.S., as well as in their staff reductions and office closures, especially in the last few years. Even former stalwarts, such as *The New York Times (which owns several papers in our catchment area)*, have not been immune. However, those constituents who continue to read newspapers regularly are an attractive target audience for Downtown Daytona Beach—especially seniors and retirees—as the average print newspaper reader is older, more educated and more affluent than the general population.

While print circulation and readership have fallen sharply, the publications' online readership continues to grow. *(For example, "The New York Times" now has more readers online than it does offline.)* Online advertising opportunities are also on the rise as papers adapt to today's increasingly web-driven media landscape.

Recommendation

As readership levels have dropped substantially overall, they remain fairly strong among the primary target audience, especially those who are more senior. Newspaper was not ranked high in our primary research, yet it is recommended as a marketing tactic, especially to announce special events and for calendars of events on an ongoing basis. It will also be supported by online ads and used to help make our public relations initiatives possible.

VI. TACTICAL PLAN
Advertising Media Breakdown (Continued)

OFFLINE — Magazines
Like newspapers, magazines are suffering as more and more consumers turn to websites, apps, social networks and blogs for information and entertainment. Yet the medium also offers an attractive older, more affluent readership. Also, like newspapers, local magazines are able to offer highly specialized community coverage that appeals to the key constituencies of the Beach Street retail area of Downtown Daytona Beach. Many magazines transitioned their content to the web as well in response to the sharp increase in online readership.

Recommendation

As the magazine coverage areas are the same as covered by other media types, general consumer magazines are not recommended as a primary media type. However, magazines could be used as part of a special co–op program with merchants or area DMAs, especially to reach our leisure travel market or to promote festivals or events.

OFFLINE — Out-of-Home

Out-of-home media, such as outdoor boards *(or billboards)* and Duratran advertising, are most often located on main thoroughfares and other public spaces with large amounts of passing motor and pedestrian traffic. Outdoor boards are effective at providing directions. They are often lighted, while some are backlit and others employ spotlights. Many boards are static, although others change messages. Typically, the contracts for out-of-home media are for a 12-month period, although digital boards can be changed monthly. Duratrans are placed at the state's Welcome Centers, airports, attractions, ports and county visitors centers.

Mobile billboards also receive a great deal of viewership. They are generally vehicle-mounted signs or digital screens, and are often the most effective for short-term campaigns, such as promoting special events.

Recommendation
As our general message may not be summed up in merely a few words and outdoor is only truly effective when the message is short *(ideally seven words or less)*, it is not recommended as a primary vehicle. Moreover, outdoor did not ranked high in our April 2012 research study. However, it could be used to stimulate general interest, as well as to provide critical/directional information on the interstate or key highways leading to our Beach Street retail area, if dollars are available. Our recommendation is to have a showing as part of the cooperative outdoor campaign with area merchants, with the monies to do so coming from the advertising fees collected from our new website.

VI. TACTICAL PLAN

Advertising Media Breakdown (Continued)

ONLINE — SEM

- ADWORDS — Google's AdWords program is the most widely used form of Search Engine Marketing *(SEM)* and a highly targeted, cost-effective marketing tool. Text ads are displayed prominently on search results pages, based on the "keywords" or phrases being searched. This catches consumers "in the behavior" of seeking information, delivering relevant information at the best possible time. The cost-per-click model ensures that there is no waste, as costs are incurred only when a prospect clicks through to the marketer's website. Plus, AdWords' geo-targeting allows us to restrict our campaign to our catchment area for even greater relevance and return. Google's Contextual Ads operate on the same model, but appear on sites that include the keywords, instead of in search results. For our retail area, Google AdWords will enable to affordably reach those actively looking for shopping, dining and entertainment opportunities and other information;
- BANNER ADS — One of the most familiar forms of online advertising—graphical banner ads—commonly appear on websites in a variety of configurations and formats. Increasingly, rich media banner ads with video, animation or other interactive elements are also becoming common. News media websites are popular locations for banner advertising. When used effectively, banner ads can be both a branding tool and a means of increasing website traffic—and ultimately—bottom-line revenue. Targeted, engaging banner advertising will be a valuable part of the online marketing program for our retail area;
- REFERRAL SITES — These are sites that primarily reach our leisure travel and entertainment focused audiences, and are oftentimes associated with ratings. There are also sites that are well used by referring other important constituencies, such as the philanthropic community. For our retail area, listings on such sites — paid or otherwise — can be an invaluable referral source and another means of building awareness.

Recommendation

Online marketing reaches our prospects and guests when they are in the behavior of searching for shopping, as well as making dining or entertainment reservations. Therefore, we must have a strong presence online in order to capture our share of these constituents. This will include AdWords, banner ads and referral site listings/ads. AdWords will be purchased based on subject matter, audience behavior and audience geography *(their origin zip codes).*

VI. TACTICAL PLAN

Advertising Media Breakdown (Continued)

ONLINE — Social Networks

One of the most popular online activities is the use of "social networks." And while each of these services has its trademark features and functionality, common uses include keeping in touch with friends and family; sharing links, pictures, and opinions; staying up-to-date with favorite interests, entertainment properties and news; sending private messages; playing games; interacting with like-minded people and more.

As people of all ages have integrated social networks into their daily lives, they have become important marketing vehicles. Therefore, having a strong social network presence for our Beach Street retail area is important to building guest interest, trial and loyalty. And our goal will be to establish a community of friends and fans that will discuss their satisfaction with our product and stimulate regular visitation. Merely two of the two leading social network services to consider include:

- FACEBOOK — With over 100 million monthly active users in the U.S. and more than 500 million users worldwide, this is the preeminent social network. Although Facebook started as a service for college students all demographics are users. The 35+ age group is the fastest growing on Facebook, which also includes over 18 million U.S. users over age 45. According to Quantcast, U.S. Facebook users are 55% women and 45% men, and 32% of users have household incomes *(HHI)* of over $100k. For our retail area, Facebook ranked high in our primary research and represents the best way to take advantage of social networks and reach new guests because it has the strongest reach; and
- TWITTER — Twitter has a distinctive format where users post short, text-based "tweets," of which over 50 million are sent daily from about 200 million monthly worldwide members. Users can also "follow" friends, celebrities, news organizations, businesses and more to stay up to date, or subscribe to topics of interest. Although Twitter is a much smaller social network in the U.S. than Facebook *(with over 18 million active U.S. users, according to Edison Research),* it is one of the most embraced among middle–age and older populations. Quantcast estimates that the service has equal usage among persons 13-17 and 50+ *(each group represents 14% of total users)*. It is also an affluent population, with over 30% of users boasting HHI of $100k+. For our retail area, Twitter can be a valuable tool for keeping guests and friends up to date with the latest information.

Recommendation

We believe that a strong social network presence is essential to our marketing success, especially with emerging audiences. It rated very high in our April 2012 research study, so social media advertising will be used to drive traffic to our pages. The key network for our retail area is Facebook, though marketing on several others as well is important.

VI. TACTICAL PLAN

Advertising Media Breakdown (Continued)

ONLINE — Web/Interactive

Our new website will be launched soon. It will help brand our destination, inform prospective guests, and replace our previous site. The site reviews our services, list our merchants and provide our bona fides and more. It is quite interactive and will draw prospects to our site, increase site "stickiness" and encourage guest visitation.

Once the new site goes live, traffic will be monitored closely to track trends and assess marketing results. Monthly analytics will be run and SEO scores reported. Additional tools should also be added to the site on a continuous basis to make it increasingly effective. Some of these under consideration include rich media *(videos)*, RSS feeds, links to valuable information providers, an online press information and story archives, guest testimonials, e-newsletter signup and archives, downloads, et cetera. Regular updates and maintenance will also assist with SEO efforts and increase website traffic.

Recommendation

Our new website will be completed soon, then continuously maintained and updated on a weekly—if not daily basis. This is essential for us to improve our Search Engine Rankings *(SEO)*, web traffic, inquiries and event reservations.

Direct Marketing

DIRECT MAIL

Every individual or business with a mailing address receives direct mail items in some form or fashion, whether they are coupons, special offers, catalogs, announcements or invitations. Direct mail is not a branding vehicle, but as a direct response mechanism it continues to be effective—particularly among senior audiences, who continue to open, value, save and respond to direct mail. Lists can be purchased for consumer and group constituencies for our retail area The following are a few means through which this could be accomplished.

- PAST GUESTS — To re-engage them in our new merchant offerings and increase their frequency of visits;
- ACTIVE ADULT COMMUNITIES — There are over 300 "active adult" communities in our catchment area and lists can be purchase for many from sources such as RetireNet.com, among others;
- GROUP AUDIENCES — Utilizing lists of business owners, as well as those responsible for booking group business, including "junkets" throughout our catchment area. Direct sales efforts can be supplemented with direct mail pieces to help maintain top-of-mind awareness;

VI. TACTICAL PLAN
Direct Marketing (Continued)

DIRECT MAIL

- CONVENTION ATTENDEES — Lists of convention attendees can often be purchased from the organizers to invite them to visit our Beach Street retail area during their stay;
- HOSPITALITY TARGETS — There are hundreds of lodging properties in our primary market area, as well as about 450 in the greater Orlando area alone. And their concierges and front desk personnel must be educated and incented to refer guests to visit the merchants of our retail area; and
- NON-PROFIT ORGANIZATIONS — These are strong targets for group sales of charitable events that generally have large turnouts.

Quarterly mailings are often used to support by online marketing *(such as Landing Pages).* Other tools and tactics that could be employed include e-Pro Direct, which reaches Meeting Planners, Association News and their mailings, along with special mailings and inserts from publishers.

Recommendation

Direct Mail rated very low in our primary research. Therefore, it should not be used as a primary marketing tool to reach prospects. However, mailers could be distributed with valuable guest information and special offers as part of a co-op program with area merchants.

E-MARKETING

Email has become an essential part of everyday life and this applies to our audiences as well. In fact, checking email is one of the online activities engaged in the most by senior citizens. By building a stronger email database of prospects, our retail area will stay in close communication with our guests and industry partners. Other e-tactics to consider include:

- E-NEWSLETTERS — Distributed at least on a bi-monthly basis, to both internal and external constituencies;
- E-VITES — Sent to groups and past guests regarding upcoming events, special offers and more on a monthly basis; and
- E-GREETINGS — To the Downtown Daytona Beach "family" that will help maintain their connection with our broader community.

Mobile Marketing is a sister database marketing tactic to email marketing. The term generally refers to the distribution of promotional or advertising messages to audiences through wireless networks to a mobile device, typically a mobile phone. Text messages *(SMS)* are commonly employed to deliver personalized information to audience members who have signed up.

VI. TACTICAL PLAN

Direct Marketing (Continued)

E-MARKETING

A further level of sophistication is available with the advent of now common "smart phones" *(such as the iPhone, Blackberry, Droid, et cetera),* where integration with "apps" and GPS functionality can be used to deliver more detailed—and often location-specific—messages. For our area merchants, mobile marketing could be employed to stay in regular contact with our members of our various constituencies, such as our most frequent guests.

Recommendation

E–mail communications with key prospects, guests and our "retail area family" rated very high in our primary research. Therefore, it should be employed and maintained on a continuous basis. Specifically, we anticipate launching regular e-blasts and e–newsletters announcing and supporting our other marketing efforts.

General Marketing Services

SALES COLLATERAL MATERIALS

Well-designed, brand-based, useful sales collateral has long been considered a *sine qua non* of an effective marketing program, and has been very useful to us to date. Many of our constituents, such as seniors and B2B targets, have spent their lives reading collateral materials and continue to use that information to help make decisions. Key collateral materials that are often produced for retail areas including the following:

- CALENDARS — Displayed by our merchants to announce upcoming events and daily/weekly activities and specials;
- EVENT DISPLAYS — Supplementing community relations efforts by having an engaging presence at trade events, conventions, community presentations, tourism industry and chamber gatherings and more. A table top display, banner stand and table cloth are often produced;
- MAP PADS — 8-12″x11″ pads of color maps produced and distributed to area lodging properties *(for their front-desk staff)*, local chambers and our merchants. The maps show the locations of restaurants, shops, attractions and more;
- POSTERS — Displayed to announce special events and seasonal themes. They generate and sustain excitement and interest and be posted by merchants, chamber offices and in hotel lobbies;
- PREMIUM ITEMS — Distributed at group sales and special events; and
- RACK CARD/ BROCHURE — Brochures displayed by merchants, in restaurants, hotel lobbies, attractions, active adult communities, CVBs and more.

Recommendation

Printed material did not score well in our primary research among past, present and prospective guests. However, map pads and rack brochures have been requested by merchants and therefore should be produced.

VI. TACTICAL PLAN

General Marketing Services (Continued)

PUBLIC/MEDIA RELATIONS

Public relations is often defined as, "the management function that identifies, establishes and maintains mutually beneficial relationships between an organization and the various publics on whom its success or failure depends." In practice, PR has traditionally emphasized achieving positive coverage in the news media. Thus, the discipline overlaps with Media Relations as one must meet the needs of media gatekeepers in order to see stories appear in print, broadcast or online. Media Relations also involves managing stories, good and bad, that mention the name of our retail area and the services that our merchants provide.

Stories appearing in the news media offline and online have the benefit of greater perceived credibility than advertising, but lack a sense of urgency, a call to action and guaranteed placement. Typically, consumer-based companies should expect to generate at least twice the amount of publicity or "free media" as they spend on advertising.

Recommendation

Public/Media Relations is an affordable and highly effective means of communicating with our constituents. The following are some of the key tactics that will be employed:

- PRESS RELEASES — Brief stories highlighting new special events and other newsworthy items submitted to relevant news organizations. For our retail area, these will be distributed every month;
- STORY IDEAS — Sample articles highlighting various aspects of the area in greater depth submitted to relevant news organizations. For our retail area, these will be distributed every quarter;
- COLUMNS/FEATURE STORIES — Generally longer pieces highlighting a "soft news" or human topic submitted to relevant news organizations. For our retail area, these will be negotiated with key newspapers quarterly;
- CALENDAR OF EVENTS — Our events calendar will be distributed to online and offline media outlets on a monthly basis, as well as to DMAs and our local Chamber of Commerce offices. This tactic ranked very high in our April 2012 primary research; and
- PRESS KIT — A compendium of journalist information, including the above items, as well as background information. Formerly a printed piece, our press kit *(or "media kits")* will be made available on our new Website.

VI. TACTICAL PLAN

Relationship Marketing (Continued)

COMMUNITY RELATIONS

Community Relations is the grassroots marketing practice of building public esteem by engaging directly with local citizens through community groups, civic groups, ethnic groups, philanthropic organizations, special events and more. Especially in municipalities—such those served by our retail area merchants *(as well as the "active adult" communities to be target)*, visible participation in the life of the community is an important aspect of brand management.

Recommendation

Community Relations techniques, tools and tactics should be employed each month by the City of Daytona Beach and our merchants. They should utilize a combination of the following:

- TRAVEL/TOURISM EVENTS — Particularly in partnership with area DMAs;
- SENIOR EVENTS — Sponsoring and/or having a presence at special events that attract many "active adults." There are also special event opportunities with relevant associations such as AARP;
- COMMUNITY EVENTS — Such as those in each of our municipalities and active adult communities, on military bases, at local colleges and more;
- CHARITY/PHILANTHROPIC EVENTS — Working with the philanthropic community to hold their fund raising events in our retail area;
- PRESENTATIONS — Giving presentations to local community and civic organizations, such as the Rotary Club, Kiwanis Club, Lion's Club, et cetera, as well as to government agencies, like CVBs, VCBs, TDCs and DMAs. A schedule of monthly presentations should be set and a general presentation created;
- FLASH PRESENTATION — A 15-minute Flash or PowerPoint presentation should be developed for use by staff, Board members and merchants alike to deliver community presentations; and
- PREMIUM ITEMS — To distribute at community events and presentations, as well as places where our constituents congregate.

INDUSTRY RELATIONS

The City of Daytona Beach and our merchants must provide a regular stream of information to the industry and others to keep them informed, interested and actively advocating our retail area. This includes our local CVB, chambers and EDC.

Recommendation

We must maintain regular relations with our industry, especially through our public relations efforts with industry media, as well as by our participation at industry events/functions/workshops and more.

VI. TACTICAL PLAN

Promotional Matrix

The following illustrates the various promotional materials and media that could be launched automatically and continuously to promote regular and special events and activities in our retail area.

DOWNTOWN DAYTONA BEACH 2011-2012 FY
Revised 4/18/12

ROUGH DRAFT

MEDIA	DESCRIPTION	CIR./IMP.	COLOR/ LENGTH/COST	SPACE CLOSE	MAT. CLOSE	MAY 5 12 19 26	JUNE 3 10 17 24 31	JULY 7 14 21 28	AUG 5 12 19 26	SEPT 2 9 16 23 30	TOTALS
FESTIVAL / EVENTS	Primary festivals. Cubs April–Sept. (Farmers' Market not included.)	TBD	TBD	TBD	TBD	Art of the Auto. 4th-5th		Coke Zero 400 5th-7th			
PRINT											**$2,500**
DAYTONA NEWS–JOURNAL NEWSPAPER	Weekly Farmers' Market ads.**	61k daily, 83k Sun.	4C	TBD	TBD						TBD *
	Production.	N/A	Spot color	TBD	TBD						TBD
NEWSPAPERS	News-Journal, community, campus, base co–op ads and ongoing calendar of events.	61k daily, 83k Sun.	4C/$500 per mo.	TBD	TBD						$2,500
	Production.	N/A	Spot color	TBD	TBD						N/A
MAGAZINE CO-OP	Funds allocated for merchant or DMA co–op.	TBD	4C	TBD	TBD						TBD
BROADCAST											**$5,000**
BRIGHTHOUSE CABLE	60%/40% programming to women/men. 97% reach. Includes in-room buy.	350+ GRPs	:30 Spots	2 Weeks prior	1 Week prior						$5,000
RADIO	Local station partnerships for festivals/events.**	350+ GRPs	:60 Spots	2 Weeks prior	1 Week prior						TBD **
ONLINE/DIGITAL											**$2,600**
SEM	Google AdWords and shopping, dining, entertainment search engines & referral sites.	50k	Text/Image/$500 per mo.	2 Weeks prior	1 Week prior						$2,000
FACEBOOK	Geo/Behavior targeted advertising.	50k	Text/Image/$150 per mo.	2 Weeks prior	1 Week prior						$600
OUTDOOR											**$0**
BOARD CO-OP	Initiate co–op board (funded by web ad revenue).	TBD	1 Board showing	2 Weeks prior	1 Week prior						TBD
COLLATERAL											**$5,500**
LOYALTY CARDS	Co-op merchant cards.	TBD	4C	N/A	3 Weeks prior						TBD
BROCHURES / MAP PADS	Budget for printing rack brochures and map pads.	TBD	Full color	N/A	3 Weeks prior						$5,500
DISPLAY MATERIALS	Budget for banner stands, table display and table cloth for Farmers' Market and other events.*	N/A	Full color	N/A	3 Weeks prior						TBD *
P.R.											**$0**
AGENCY PUBLIC/COMMUNITY	Story ideas, releases, features and calendars of events.	3,000	Monthly	N/A	1 wk–2 mo.						N/A
WEB/INTERACTIVE											**$0**
AGENCY SITE MAINTENANCE	Including ongoing SEO.	N/A	Monthly	N/A	N/A						N/A
AGENCY E-BLASTS -- MERCHANT/CONSUMER	Monthly using client database.	TBD	Monthly	N/A	N/A						N/A
AGENCY E-NEWSLETTERS -- MERCHANT/CONSUMER	Bi–monthly using client database.	11,000+	Bi-monthly	N/A	N/A						N/A
MISCELLANY											**$1,000**
TECH. SERVICES	Database deployment w/iContact and web hosting.	N/A	$200 per mo.	N/A	N/A						$1,000
AGENCY STRATEGIC PLANNING	Ongoing Strategic/Tactical Plan updates.	N/A	N/A	N/A	N/A						
AGENCY											**$5,000**
MARKETING SERVICES	$1,000 per month	N/A	N/A	N/A	N/A						$5,000
MONTHLY TOTALS						$ 7,200	$ 2,350	$ 2,350	$ 7,350	$ 2,350	$ 21,600

MEDIA/MATERIALS DISTRIBUTION
PRODUCTION
* **ADDITIONAL FARMERS' MARKET FUNDS**
HOLIDAYS
** **ADDITIONAL FESTIVAL FUNDS**

NOTE: Rates have not been fully negotiated and are subject to change.

BUDGET = $22,000

DOWNTOWN DAYTONA BEACH 2012-2013
4/18/12

ROUGH DRAFT

MEDIA	DESCRIPTION	CIR./IMP.	COLOR/ LENGTH/COST	SPACE CLOSE	MAT. CLOSE	OCT 5 12 19 26	NOV 2 9 16 23 30	DEC 7 14 21 28	JAN 4 11 18 25	FEB 1 8 15 22	MAR 1 8 15 22 29	APR 5 12 19 26	MAY 3 10 17 24 31	JUNE 7 14 21 28	JULY 5 12 19 26	AUG 2 9 16 23 30	SEPT 6 13 20 27	TOTALS
FESTIVAL / EVENTS	Primary festivals. Cubs April–Sept. (Farmers' Market not included.)	TBD	TBD	TBD	TBD	Biketober., 18-21	Halifax Art Fest., 3-4		Budweiser Speed	Week, 1/25-2/24		Cubs Begin	Art of the Auto., 3-4		Coke Zero, 5-7	Cubs End		
PRINT																		**$6,000**
DAYTONA NEWS–JOURNAL NEWSPAPER	Weekly Farmers' Market ads.*	61k daily, 83k Sun.	4C	TBD	TBD													TBD *
	Production.	N/A	Spot color	TBD	TBD													TBD
NEWSPAPERS	News-Journal, community, campus, base co–op ads and ongoing calendar of events.	61k daily, 83k Sun.	4C/$500 per mo.	TBD	TBD													$6,000
	Production.	N/A	Spot color	TBD	TBD													N/A
MAGAZINE CO-OP	Funds allocated for merchant or DMA co–op.	TBD	4C	TBD	TBD													TBD
BROADCAST																		**$25,500**
BRIGHTHOUSE CABLE	60%/40% programming to women/men. 97% reach. Includes in-room buy.	350+ GRPs	:30 Spots/$750 per wk/$3k prod.	2 Weeks prior	1 Week prior													$25,500
RADIO	Local station partnerships for festivals/events.	350+ GRPs	:60 Spots	2 Weeks prior	1 Week prior													TBD **
ONLINE/DIGITAL																		**$12,000**
SEM	Google AdWords and shopping, dining, entertainment search engines & referral sites.	50k	Text/Image/$750 per mo.	2 Weeks prior	1 Week prior													$9,000
	Production.	N/A	N/A	TBD	TBD													N/A
FACEBOOK	Geo/Behavior targeted advertising.	50k	Text/Image/$250 per mo.	2 Weeks prior	1 Week prior													$3,000
	Production.	N/A	N/A	TBD	TBD													N/A
OUTDOOR																		**$0**
BOARD CO-OP	Initiate co–op board (funded by web ad revenue).	TBD	1 Board showing	2 Weeks prior	1 Week prior													TBD
	Production	N/A	N/A	TBD	TBD													TBD
COLLATERAL																		**$14,000**
LOYALTY CARDS	Co-op merchant cards.	TBD	4C	N/A	3 Weeks prior													$4,000
BROCHURES / MAP PADS	Budget for printing rack brochures and map pads.	TBD	Full color	N/A	3 Weeks prior													$7,000
DISPLAY MATERIALS	Budget for banner stands, table display and table cloth for Farmers' Market and other events.*	N/A	Full color	N/A	3 Weeks prior													$3,000 *
P.R.																		**$0**
AGENCY PUBLIC/COMMUNITY RELATIONS	Story ideas, releases, features and calendars of events.	3,000	Monthly	N/A	1 wk–2 mo.													N/A
WEB/INTERACTIVE																		**$0**
AGENCY SITE MAINTENANCE	Including ongoing SEO.	N/A	Monthly	N/A	N/A													N/A
AGENCY E-BLASTS -- MERCHANT/CONSUMER	Monthly using client database.	TBD	Monthly	N/A	N/A													N/A
AGENCY E-NEWSLETTERS -- MERCHANT/CONSUMER	Bi–monthly using client database.	11,000+	Bi-monthly	N/A	N/A													N/A
MISCELLANY																		**$2,400**
TECH. SERVICES	Database deployment w/iContact and web hosting.	N/A	$200 per mo.	N/A	N/A													$2,400
AGENCY STRATEGIC PLANNING	Ongoing Strategic/Tactical Plan updates.	N/A	N/A	N/A	N/A													
AGENCY																		**$18,000**
MARKETING SERVICES	$1,500 per month	N/A	N/A	N/A	N/A													$18,000
MONTHLY TOTALS						$ 22,450	$ 6,200	$ 4,700	$ 3,950	$ 6,200	$ 6,200	$ 5,450	$ 4,700	$ 4,700	$ 5,450	$ 3,950	$ 3,950	$ 77,900

MEDIA/MATERIALS DISTRIBUTION
PRODUCTION
* ADDITIONAL FARMERS' MARKET FUNDS
HOLIDAYS
** ADDITIONAL FESTIVAL FUNDS

NOTE: Rates have not been fully negotiated and are subject to change.

BUDGET = $78,000

THE CITY OF DAYTONA BEACH

REDEVELOPMENT DIVISION
POST OFFICE BOX 2451
DAYTONA BEACH, FLORIDA 32115-2451
PHONE (386) 671-8180
Fax (386) 671-8187

MEMORANDUM

DATE: April 18, 2012

TO: Downtown Development Authority Members

FROM: Jason Jeffries, Project Manager

SUBJECT: Staff Update

The following are brief updates regarding issues brought before the Downtown / Ballough Road Redevelopment Board on April 3, 2012:

- Reviewed conceptual plans for Renaissance Place, a proposed RPUD (Residential Planning Unit Development) to allow the development of a 86,190 square foot assisted living facility with 100 dwelling units at 113 Mullally Street.
- Discussed board priorities for the Downtown and Ballough Road Redevelopment Areas.

The following Downtown Daytona Beach promotional efforts, funded by the DDA, have occurred in the last month:

- Downtown commercial highlighting the start of the Daytona Cubs 2012 season ran during the first three weeks of April on select channels on Bright House Cable. This was a joint effort with the Daytona Cubs.
- Email blasts to promote Front Porch Fridays, Cinimatique Movies Under the Stars, and upcoming Downtown events during the month of April and May.