

Hickory-Conover Tourism Development Authority
Regular Meeting Minutes
November 9, 2020, 8:30 a.m.

A Regular Meeting of the Hickory-Conover Tourism Development Authority Board of Directors was held in the Catawba 1 meeting room of the Hickory Metro Convention Center on Monday, November 9, 2020 at 8:30 a.m., with the following members present:

	Bruce Eckard; Chair	
Donald Duncan	Patricia Hatch	Renee Keever
Leroy Lail	Mark Seaman	Warren Wood

A quorum was present.

Also present were Terry Taylor; Counsel, Mandy Hildebrand; CEO, Sarah Davis; Director of Sales and Marketing (via Zoom), and Amber Howard; Director of Events/TDA Clerk.

- I. Chair Eckard called the meeting to order at 8:34 a.m. All Board Members were present except Lindsay Keisler and Phil Yount.
- II. Persons Wishing to Be Heard (None Appearing)
- III. Approval of Minutes
 - A. Regular Meeting of October 12, 2020.

Mr. Lail moved, seconded by Mr. Wood, that the Minutes of October 12, 2020 be approved. The motion carried unanimously.

IV. Financial Reports

A. Event Revenue Report - Amber Howard

Reviewed events from October 2020 vs. October 2019.

Ms. Howard went over Event Revenue Chart, which shows event revenue collected through October 2020. The Event Revenue budget for Fiscal Year 2020-2021 is \$515,000, and as of October 31, 30, 2020, \$46,407.64 has been earned, which is \$486,592.36 away from what is budgeted.

Ms. Howard reviewed calendar of events remaining for the Fiscal Year and explained the color code which shows number of overnight rooms expected, if any, for each event. Chair Eckard asked if any larger events have cancelled. Ms. Howard responded that a few large events have cancelled, most significantly the NC Septic Tank Association, that was to be in Hickory in January 2021.

B. Occupancy Tax Report - Ms. Hildebrand

Ms. Hildebrand presented the occupancy tax chart, which reports tax collected in September 2020, which was \$104,710.67. The total for three months is \$318,412.46, which is 30% of occupancy tax revenue for the Fiscal Year.

Ms. Keever commented that October will be a good month because the hotels are busier than previous months. Mr. Lail added that the Crowne Plaza will be reopening by the end of the year.

C. October 2020 Financial Report

Ms. Hildebrand reviewed the October 2020 Financial Report. For the fourth month of the Fiscal Year, income and expenses should be at 33%. Overall, income is at 20.8% of what was budgeted without October occupancy tax, and expenditures is at 21.5% of what was budgeted.

Ms. Hildebrand reported a new line item on the October 2020 Financial Report, which shows the \$10,000 NC Tourism Promotion Award Grant that was awarded for marketing purposes.

Mr. Wood moved, seconded by Mr. Lail, that the Financial Report for October 2020 be approved. The motion carried unanimously.

V. New Business - None to Report

VIII. Old Business

A. Sports Related Events

Mr. Lail gave his opinion on raising the roof on the convention center to allow for the booking of more sporting events. As he stated at the October 2020 meeting, he is against making the convention center into any type of sports facility. Mr. Lail said that if the City of Hickory wants to build a sports arena, that can be done, but not in the convention center. He does not see an opportunity for attracting more sporting events,

even if the ceiling is raised. Chair Eckard commented that several sporting events that are marked for overnight rooms are already listed on the upcoming calendar of events through June 2021.

B. Furniture Hall of Fame

Mr. Lail reported that he has been working with the Smithsonian and other contacts to figure out the best use of the future Furniture Hall of Fame Space. Because the planned space is so small, he will tell the story with a floor to ceiling media wall. The story will tell the significance of furniture means in this area, why Hickory became such a well-known destination for furniture, and who those people are that are responsible for growing the furniture industry and keeping it going. The entire presentation will be about 45 minutes and visitors would sit in the area and watch on the media wall. The media wall will be visible from Interstate 40 and will truly be an attraction but will be limited by the amount of space planned. Ms. Hildebrand added that Architect Scott Mitchell and Alan Jackson, IT Coordinator for the convention center, have been researching cost for the wall. Mr. Lail is going to talk with them about that as he feels they aren't researching the correct equipment needed. Mr. Lail commented that it is going to be expensive, but because of the limited space, this idea will work best.

C. Future Renovation/Addition Plans

Chair Eckard said that Mr. Mitchell will be at the next meeting to give the board an update on the expansion drawings. HCTDA will need to make decisions about what comes next, as much of it will depend on revenue that the convention center is bringing in. Mr. Lail added that HCTDA has money available in the bank and the opportunity is there to leverage our business model. Mr. Lail reiterated his feeling that if the HCTDA starts re-doing this building as a sports facility, the HCTDA is asking for trouble. Mr. Wood reminded the Board that in 2029, legislation states that HCTDA must flip the percentage it spends on operating to spend on marketing. Mr. Lail said he will push it out farther if needed. Discussion ensued about the debt. HCTDA has paid off the debt on the building, but not the parking deck. Mr. Wood commented that he wants to know what he is missing, because if the HCTDA takes on more debt but because of legislation has to flip and spend more money on marketing, how would HCTDA continue to make debt payments? Discussion ensued about getting the legislation changed to a later year, which Mr. Lail said won't be a problem. Mr. Wood cautioned HCTDA as he doesn't need an "I think we can do it", he needs to know that it can be done for sure. Mr. Lail responded that he will take care of getting the legislation changed.

D. Capital Project Ordinance #2 - Restroom Renovations

Ms. Hildebrand reported that renovations will begin on November 16, after the virtual Hickory Mart Shows Southern Spa & Salon Conference. The plan is to have both restrooms completed by end of the calendar year. As of November 4, 88.5% of the CPO #2 budget has been spent.

E. Capital Project Ordinance #1- Construction Drawings for Renovations/Additions

As of November 4, 54% of the budget has been spend has been spend. The amount spent includes Mr. Mitchell and teams' fees for time during construction.

IX. CEO Report

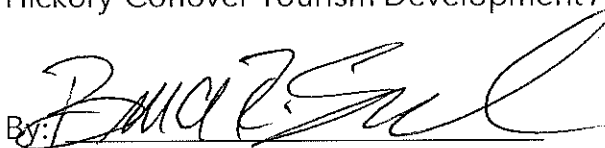
Ms. Hildebrand mentioned another grant from Visit NC for \$10,750 to go toward marketing material/collateral that was not able to be included in the Fiscal Year 2020-2021 budget because of less revenue due to COVID-19. This money would come from the CARES Act. The grant will go toward several large photo shoots, Visit Hickory face masks, and hand sanitizer, all of which will promote Visit Hickory.

Ms. Hildebrand reported that C&E Gun Show attendees went through \$48,820 over the weekend. Mr. Lail asked how much money HCTDA makes off of ATM. Ms. Hildebrand said \$1.50 per transaction.

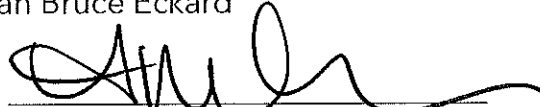
X. The next HCTDA Board Meeting will be held on December 14 at 8:30 a.m. at the Hickory Metro Convention Center.

XI. There being no further business, motion was made to adjourn by Chair Eckard, seconded by Mr. Duncan. The motion carried unanimously.

Hickory-Conover Tourism Development Authority

By: 

Chairman Bruce Eckard

Attest: 

Clerk to the Board