

**MINUTES**  
**IRVING CONVENTION AND VISITORS BUREAU**  
**BOARD OF DIRECTORS – EXECUTIVE COMMITTEE MEETING**  
**ZOOM VIDEO CONFERENCE**  
**Friday, December 11, 2020**

Attendance: Karen Cooperstein – Board Chair; David Cole – Board Vice Chair; Bob Bourgeois, Julia Kang, Clem Lear, Rick Lindsey, Greg Malcolm – Committee Members; Joe Philipp – Board Member; Tom Meehan – ASM/ICC; Maura Gast, Carol Boyer, Marianne Lauda, and Susan Rose – ICVB; Councilman Al Zapanta – Guest.

Board Chair Karen Cooperstein called the meeting to order at 9:00 a.m. and inquired if there were any citizens on the call that would like to comment on any subject on the agenda. There were none.

ICVB Accounting Director Marianne Lauda reviewed the fourth quarter 2019-20 Hotel Occupancy Tax Collection report.

- The summary shows every hotel down in collections; several properties have not paid yet.
- No known status of the unpaid accounts.
- As previously requested by the Committee, hotel properties that have closed and reopened during the pandemic are noted.
- Luxury and Full-Service hotel collections are down 78.06% year-to-date. It was noted that part of the 78% is due to the three major hotels in Irving that have not paid this quarter.
- All Suite/Extended Stay hotel collections are down 55.56%.
- Limited-Service category hotel collections are down 74.75%.
  - Fairfield Inn – DFW North was closed March 1 for complete teardown and new build/renovations; no known date for reopening yet.
- Budget hotels are down 35% and there is no available information that any properties are closed.
- Fourth Quarter results show collections down 68.27%, down \$1.4 million.

Board member Bob Bourgeois asked for clarification on Extended Stay Properties line in report showing +156.86%. Executive Director Maura Gast replied it is a total of all AirBNB and short-term rental properties that choose to report and it is not necessarily an apples-to-apples comparison. Lauda commented more of these properties are now remitting their taxes. Gast, Lauda and Assistant Executive Director Administration/Finance Susan Rose are attending training for the new short-term rental collection system software with the City. A better understanding and profile of this category will be updated as more data and information become available.

In response to a question from Cooperstein, Gast stated the process for following up with non-payment ultimately falls to the City Finance Department and at a certain point the City's Attorney Office becomes involved.

In reviewing the Year-to-Date Hotel Tax Collections report, Lauda reported the Luxury Hotel category is down 47%. Lauda noted the All-Suite/Extended Stay Townplace Suites – DFW North just opened in the

third quarter of the fiscal year and is the reason they are reporting +412.54%. The Extended Stay category is reporting collections up 188% as more locations are paying their taxes from short-term rentals.

In summary, Budget to Actual original projection for the year is -42.78% and revised is +11.26, which is a good sign but still significantly less than the original projection.

Cash Flow Report:

- Originally projection showed needing additional funding in January.
- Current projection is showing additional funding in March/April.
- Staff took a hard look at projected and actual expenses for 2021 and revised the Hotel Occupancy Tax projections.
- Original projection was from March 2020, reviewed and revised in August.
- Now projecting -\$1,423,204 by fiscal year end in September 2021, depending on received revenues, and expenditures.
- A close look at the Business Development Incentive Plan, media advertising and travel.
- CARES Act funding of \$834,000 over the last few months was received.
- January report will show received funding and how it was used.

Gast added the ICVB Executive Team is looking at revenues and expenses daily. Gast has had several subsequent conversations with City Chief Financial Officer Jeff Litchfield and the feeling is that September-November collections are coming in better than expected. They have had discussions on the terms of the loan from the City. The short version is to have until September 2022 to repay, which may prove challenging, but will continue to manage through it. There are still some things staff can cut from expenses, but down to bare bones on minimal expenses as they relate to programs. Gast noted it is important to understand we are trying to be more pessimistic than optimistic when seeing some recovery. The Cash Flow report is being reviewed constantly.

Lauda explained the CARES Act funds are a wash – what comes in goes right out. Some ICC employees remain furloughed and some may become laid off permanently. ICC General Manager Meehan is working through some of the ICC third-party contract negotiations. We are a small employee staffed company/facility and it will not make much of a dent in the financials for cutting staff, but it impacts the operations and maintenance of the building.

Cooperstein asked Meehan for an update. Meehan the ICC financials are not available currently as the finance department is installing a new financial software update and having to upload all financial information. The ICC is trying to achieve or come in below the operating subsidy of \$1.395 million by fiscal year end. Staff has a good idea of the revenue projections for the year which forces adjustments to the expense side of financials. There are certain controllable expenses, i.e., payroll and reducing staff to fit the number of events this year. If, and when, those are in place, the savings is about \$430,000 for the year. ICC is adjusting all other expenses and cutting back where it makes sense. First quarter 2020-21 financials will be presented at the January Committee meeting. The building hosted four major events the past weekend and had remaining ICC staff working concessions, turning set-up and tear-down, etc. January and February calendar looks slow and is the exact opposite of last year. ZestFest has officially moved from January to June 2021.

Cooperstein delivered the Board Chair report:

- Gast sent out a link for a Go Fund me page to assist ICC furloughed staff during the holiday season.
- Survey went out to voting Board members asking for their feedback on meeting in person for Board meetings initially to determine if a quorum would be possible. The earliest possible Board meeting in-person would be in February. Will update Board when meeting in-person, once it is determined to be safe.
- The ICVB staff is reviewing the options for holding the Irving Hospitality Industry Annual Meeting virtually and affordably, as it was one of many things cut from this year's budget.

Cooperstein asked for a motion to approve the November 13, 2020 Executive Committee meeting minutes. Board member Bob Bourgeois asked for a correction in language in the fourth paragraph, last sentence. The sentence should read: Moving funds from Operations to the Capital Fund was a big assist with keeping the financials solid. On a motion from Board member Rick Lindsey, and a second from Bourgeois the November 13, 2020 minutes were approved as amended.

Cooperstein reviewed the December 14 Board meeting agenda.

- New Board members and renewing term members will be sworn in at the top of the meeting by the City Secretary's Office.
- University of Dallas representative Jason Wu Trujillo has resigned from the Board and UD Vice President of Marketing and Communications Clare Venegas is the replacement.
- Gast will give a COVID-19 update.

Councilman Al Zapanta thanked ICVB/ICC teams on assistance with the University of Dallas graduation event at the ICC. The event looked nice and was well attended.

Zapanta gave an update from Irving City Council:

- Mark Zeske newly elected Councilman for District 3, replacing Dennis Webb.
- Hospitality industry across the board is being impacted by the pandemic and the ARK Group has applied for relief on their contract with the City. This is still in negotiation and ultimately will impact as partners the ICVB, ICC and the City.
- Council is focusing on financials and understanding the entire City budget and making investments over the next 20-year period that will be positive in net results.
- Comparing TMRS and Supplemental Benefits Plan (SBP), while also focusing on Fire and Police Departments.

Reporting on happenings in Washington DC:

- World recovery predictions: West Region in two years (2023), Emerging Nations 2024-25, Third World countries seeing no recovery in next four to five years.
- Latin America and Africa and parts of Asia Pacific progressive liberal regimens are starting to feel the impact of an anti-progressive movement, meaning neo-conservative movements.
- Argentina and Mexico are real question marks and for ability to recovery in 2-3 years. Outlook is bleak.
- Money being sent back to families back in Mexico is increasing over the year, true to supporting their families and the increasing issues.
- The whole area of business travel will change across the world.

- Nothing new happening with the CARES Act currently in Washington.

Zapanta and Cooperstein expressed their appreciate to Litchfield and City Manager Chris Hillman for taking the time to review issues in specifics and have City staff and Council come together in their efforts.

Cooperstein adjourned the meeting at 9:45 a.m.

Respectfully submitted,



Maura Allen Gast, FCDME  
Executive Director