

MINUTES
IRVING CONVENTION AND VISITORS BUREAU
BOARD OF DIRECTORS
ZOOM VIDEO MEETING
November 16, 2020

Attendance: Rick Lindsey – Board Chair; Karen Cooperstein – Board Vice Chair; Kim Andres, Bob Bettis, Beth Bowman, Bob Bourgeois, Jo-Ann Bresowar, Dirk Burghartz, Dallas Burke, David Cole, Debbi Haacke, Todd Hawkins, City Manager Chris Hillman, Nydia Hoskins, Julia Kang, Clem Lear, Kim Limon, Greg Malcolm, Ron Mathai, Hammond Perot, Joe Philipp, Michael Randall, Sam Reed and Mike Rilley – Board members; Deputy Mayor Pro Tem Kyle Taylor, Councilman Oscar Ward, and Councilman Al Zapanta – City of Irving; General Manager Tom Meehan and Director of Sales Matt Tungett – Irving Convention Center; Chief Financial Officer Jeff Litchfield, Assistant City Manager Philip Sanders, and City Attorney Christina Weber – City of Irving; Carol Boyer, Lori Fojtasek, Maura Gast, Brice Petty, Diana Pfaff, Susan Rose and Monty White - ICVB; Guests – Laura Edwards, Crowe LLP, and Richard Stewart Jr.

Board Chair Rick Lindsey called the meeting to order at 11:47 a.m. and noted this meeting is taking place as a video conference due to the COVID-19 restrictions. He inquired if there were any citizen comments; there were none.

ELECTION OF OFFICERS

- a. Chair
- b. Vice Chair

Chair Lindsey called for nominations to the ICVB Board of Directors for Chair of the 2020-21 Board. Board member Debbi Haacke nominated Board member Karen Cooperstein as Chair. With a second from Board member Clem Lear, Cooperstein was unanimously approved as Chair of the ICVB Board.

Board member Bob Bourgeois nominated Board member David Cole for the ICVB Board of Directors Vice Chair of the 2020-21 Board. With a second from Board member Jo-Ann Bresowar, Cole was unanimously approved for Vice Chair of the ICVB Board.

CONSENT AGENDA

- Approving ICVB Board Minutes for September 28 and October 23, 2020
- Accepting the Irving Convention Center Financial Report for September 2020

Lindsey asked for a motion to approve the Consent Agenda items as presented. Cooperstein made a motion to approve and Bourgeois gave a second. With no opposition, the motion passed unanimously.

INDIVIDUAL CONSIDERATION

- Accepting the Irving Convention Center Audit Report for FY 2019-20 – Laura Edwards, Crowe

Executive Director Maura Gast introduced Audit Senior Manager Laura Edwards from Crowe LLP. Edwards presented the audit results to the Board Executive Committee and shared an overview of the audit to the Board.

The report is performed for fiscal year 2019-2020 and compared to 2018-2019. The Auditor Opinion from Crowe states the financial statements are presented fairly and in accordance with the contract.

Review of the Balance Sheet:

- This was an unusual year and expenses were managed well. Edwards applauded Gast, General Manager Tom Meehan, and ICC finance staff with their communication and results.
- Assets due from the City of Irving/ICVB – a slight shortfall of \$42,000.
- Accounts Receivable – \$176,000 versus last year \$717,000, a decrease due to the matter of current events.
- Advance deposits decreased this year, but normal cancellation policies have been revised to accommodate events rescheduling due to COVID-19.

Statement of Revenue and Expenses Review:

- Most numbers have decreased.
- A slight uptick in the Other category due to the parking agreement with the Irving Convention Center Westin Hotel.
- Operating expenses have gone down due to furloughed employee salary and wages decreases.
- Showing a net loss of \$1.9 million.

A Cash Flow Review shows nothing unexpected.

Financial Activity shows money contributed by City of Irving/ICVB and capital remitted by Irving from prior year.

Edwards reviewed the Notes on Review of Financial Statement:

- The management agreement has been extended for another 15 years and was approved by City Council on November 12.
- Doubtful accounts were determined good and collectable.
- A COVID-19 statement has been added for advance deposits regarding 100% refunding of deposit.

Edwards then reviewed the required communication letter from Crowe:

- Corrected misstatements:
- There is \$42,641 due from the City on Balance Sheet. This adjustment is made every year at the end of the audit.
- The amount due to SMG included in accounts payable and accrued expenses by September 30, 2020 and 2019 was \$18,518 and \$0, respectively.
- An adjustment was made for \$53,370 for a check that was reported on the bank reconciliation that had not been mailed until subsequent to year-end.

Uncorrected misstatements:

A receivable was not recorded for a pursued balance regarding a cancelled event and currently pending legal action. The entry records the amount to accounts receivable and fully reserves it as the balance does not appear to be fully collectable. The income net effect is zero. No difficulties were encountered during the audit. No disagreements with management were reported.

In reviewing the management letter, Edwards noted as a best practice, management should establish a formal process to identify potential related-party relationships and transactions. She also recommended management properly date checks in the month that the checks are processed so the cash reconciliation is accurate. These were classified as a low-level deficiency but added in writing as a precaution. ICVB staff has committed to put into place a policy to identify any customers or vendors with a related-party relationship. Edwards closed the presentation with thanks to the ICC Finance Team, General Manager Tom Meehan, and Gast for their partnership in the audit process. She noted ICC management has a good handle on expenses and future revenue projections.

In response to a question from Deputy Mayor Pro Tem Kyle Taylor, Edwards replied audit deficiencies are communicated throughout the year and discussed if any item is flagged during the year for new recommendations.

Lindsey thanked Edwards for the information and consistent audit over the years. Board member Debbi Cooperstein gave a motion to accept the ICC Audit Report as presented and a second from Bresowar. The motion was unanimously approved.

BOARD REPORTS**Chairman and Management Reports:****Gast gave a COVID-19 Update:**

- Pandemic is hovering in the Response and Recovery Phases.
- ICVB and ICC continue to see impact.
- November/December are typically slow months and that will be magnified further this year.
- COVID-19 relief legislation is stalled.
- Vaccine news is good news from a traveler perspective.
- Hotel Occupancy assumptions were revised mid-August and will be revised again in November.
- Both September and October months have Occupancy impact from hurricane evacuees.
- ICC will continue to manage expenditures and maintain the facility for "return to normal."
- Updates to the Board will continue as a series of national proposed recovery initiatives are put into place.
- ICVB and ICC Sales teams continue to work to build the pipeline.
- Staycation and Safe Meetings marketing and advertising campaigns are both doing well.
- ICVB and ICC website traffic was a record high in October and continues to drive the website activity.
- Visit Irving website traffic is up compared to counterparts in the United States and globally.
- Things will change, but how remains to be seen.

Lindsey noted the Executive Director salary reinstatement letter in the packet. He welcomed the new Board members: Rose Cannaday, Stephanie Fenley Garcia, William Mahoney, Roy Santoscoy and Richard Stewart Jr. He acknowledged the retiring Board members and thanked them for their willingness to serve, their leadership and shared knowledge with the Board. Lindsey reported the next Board meeting is scheduled for December 14.

BOARD REPORTS

Board and Business Development Committee

Committee Chair Haacke reported the next meeting is scheduled for Friday, December 4 and 9:00 a.m. via Zoom and invited all Board members to attend.

Community Engagement Committee

Committee Chair Bourgeois reported:

- There are no City of Irving holiday festivities or parade this year due to the pandemic.
- The last Committee meeting was held via Zoom on October 13.
 - Topics discussed at the meeting included Annual Spirit of Irving award nominations, virtual Irving Hospitality and Industry Annual Meeting, National Tourism week in May, ideas for National Plan Your Vacation Day on January 26, 2021.
 - The Committee recommended Richard Stewart Jr. for the High Spirited Citizen award that the Board approved at its October 23 Board meeting. Staff is working with the City Secretary Office and Stewart to schedule the presentation at an upcoming City Council meeting.
- The next Committee meeting is TBD.

Destination Development Committee

Committee Chair Greg Malcolm reported the next Committee meeting date is TBD. Topics from the November 10 Committee meeting included an update on the Irving Golf Club, City R-AB Ordinance discussion, Irving COVID-19 impact, and hotel development.

CITY OF IRVING REPORTS

Councilman Oscar Ward:

- Congratulated the new ICVB Board members on their appointment.
- He noted the city is working on obtaining a consultant for short-term rental hotel tax collections.
- The Irving School District May 2020 elections were postponed until November 3 due to COVID-19. There may be a possibility that local elections will be annually in November.
- City is doing a staff wage/benefit survey.
- Council continues with challenges due to meeting during the pandemic.

Deputy Mayor Pro Tem Kyle Taylor:

- Congratulated the Marketing and Communications team on the website records and noted the site is very engaging and well done in driving visits to Irving.
- Parks and Recreation Department held a very successful Halloween drive-through event. The department is also working on ways to drive people to Irving and hotel stay traffic.
- R-AB Report will be an interesting topic moving forward in the redevelopment of Irving Blvd.

City Manager Chris Hillman:

- Neighborly Brands recently announced it has selected Irving as its second headquarters. The other is in Waco. The company franchises brands such as Molly Maid, Mr. Handyman, and others.
- Vistra Energy recently announced it will consolidate several locations in a five-story, nearly 406,000-square-foot building at 1925 W. John Carpenter Freeway.
- SmartAsset has named Irving one of the top 30 cities for first-time homebuyers.
- CompTIA Tech Town Index ranked North Texas #2 in the nation for Tech opportunities, up from #7 during the prior year, representing a tremendous uptick during coronavirus.
- The Levy Event Plaza is primed for its grand unveiling this week. The Plaza is a \$2.8 million project along Lake Carolyn. It will host the city's community events, such as Fourth of July Fireworks and Laughs by the Lake.
- Parkland Hospital has opened a COVID-19 testing site in Irving. The site is a walk-up testing location at Parkland's Irving Health Center, 1800 N. Britain Road. The testing site will be open 7:30 a.m. to 4 p.m., Monday through Friday, or until testing limits reach capacity. Results will be returned within 48 to 72 hours. Testing is open to anyone who is over the age of 5 and lives within the boundaries of the City of Irving or Dallas County.
- Most City facilities are open on a limited basis and masks are required to enter.
- The Irving downtown revitalization project includes current plans recommending reducing three vehicle lanes to two lanes along Irving Boulevard from Sowers Road to Strickland Plaza. The remaining right-of-way would be used for parallel parking, wider sidewalks, a bike lane, and streetscape amenities. While construction is underway, the city will make additional improvements to the water, sewer, and stormwater infrastructure along the road. This renovation project is one of many investments the City is making in the area.
- The DART station at Verizon's Hidden Ridge campus is under construction.
- The Signature Bridge, spanning State Highway 114, is expected to be completed before year end.
- Fire Station 4 is slated for completion this year.
- Georgia Farrow Rec Center construction continues, as does downtown Heritage Park.
- Blue Christmas is an Irving Police and Fire Event. Irving first responders raise money for food and toys that they then distribute to members of the community who need help during the Christmas holiday. There is also a Wing Eating Challenge for Irving First responders with all donations benefitting our families as well as other food and toy drives.

MANAGEMENT AND STAFF REPORTS:

Gast acknowledged Lindsey and thanked him for the continued support as Chair throughout the year. His leadership, counsel, support and accessibility were appreciated. She noted staff appreciated the kindnesses shown to them in a challenging year. She noted ICVB and ICC staff continue to do great work and with passion.

Assistant Executive Director Sales/Services Lori Fojtasek reported:

- In reference to the report in the packet, she noted the strongest market is Sports and the Corporate market is the weakest during the pandemic.
- Most travel for Sales staff to tradeshow and activities has cancelled, but virtual events are on the rise and staff is attending as possible. Most offering free registration.

- Sales pipeline for the current year is extremely low.
- Good news is 2022 is on the same pace prior to COVID.
- COVID-19 YTD Impact shows Cancelled Room Nights – 86,720 and Lost Business – 57,137. Rescheduling is low.
- There is an increase in socially distanced site inspections now taking place and hotels are encouraged.
- Business reviews are seeing an increase.
- Safe Meetings Campaign triggered an increase in traffic for RFPs.

Assistant Executive Director Marketing and Communications Diana Pfaff reported:

- Safe Meetings Campaign had 1.9 million impressions, 16,000 sessions and produced 55 total leads.
- Staycation Campaign had 2.7 million impressions, 43,000 session and 15,507 hotel referrals.
- Switching social media focus from Fall to Holiday.
- Both websites recorded the highest total website traffic numbers to date and a 32% increase over October 2019.
- Advertising engagement remained high in October with 27,092 clicks and over two million advertising impressions. The leisure market had the largest amount of engagement with 18,511 clicks.
- Pfaff commended Director of Marketing Monty White on leading the campaigns and the huge successes.
- The Visit Irving Blog continues to have success. Added a “Rock the City with Live Music in Irving” blog on Thursdays with live music that is increasing around town.
- Because of blog traffic there were over 1.5 million impressions on the Visit Irving Facebook page.
- She encouraged everyone to read the articles attached in the packet for the Marketing and Communications report.

Assistant Executive Director Administration and Finance Susan Rose reported:

- AirDNA Report:
 - The report shows 412 available listings in September. A slight increase.
 - Average Daily Rate is \$177.19, down 20% from last year.
 - Occupancy is 54.7%, an 18% decrease from last year.
 - Hotel Comparison subset reports Average Daily Rate of \$96.42 and Occupancy at 55.4%.
- The Administration/Finance team is working on agenda items to City Council, updating and organizing the Board portal as recommended by the Board and Business Development Committee, Staff portal updates and new HR / Payroll software training.
- Welcome to Brice Petty as the new IT Manager for the ICVB. He will be a great asset to our team.

IRVING CONVENTION CENTER

General Manager Tom Meehan reported:

- The first six months of this fiscal year were on a record-setting pace, which laid down a good foundation for the year.
- Changes made to forecast/budget for the year. Half of staff furloughed, renegotiations of third-party contracts for the building, moved \$500,000 out of Capital into Operations, and reduced expenses.
- ZestFest is considering rescheduling to March/April or late May 2021 from January.

- ICC will continue to work on balancing revenues and expenses.
- Engineering continues to work on the lighting project of converting to LED lights. The project was paid in last year's Capital. It will make the Grand Ballroom look brand new and he is excited to see the results.

Director of Sales Matt Tungett reported:

- There has been some success with booking of Sports events in the coming months and auto research groups.
- ICC Sales is working with Marketing team on a promotion for "Double Your Space" through the end of the fiscal year. It centers around social distancing with large space for events.

LIVE NATION / TOYOTA MUSIC FACTORY

Mike Riley reported:

- Echoed the ICC Management report and daily changes that continue in pandemic.
- Hope to be on scale for live shows by summer 2021.
- Also working on inside/outside reduced capacity shows.
- The Entertainment Industry as a whole is working on several things for live shows.
- Live Nation has volunteered to be a Beta testing point for live shows through Ticketmaster.
- Specific strategies are being worked on for safety in live events.

HOTEL PARTNERS

Board Member Greg Malcolm reported:

- STR September Report for the City of Irving
 - Weekends are now the strong point of business at 48.7% and Weekday at 42.4%, down 37.3%.
 - Average Daily Rate \$78.37, down 29.2%.
 - RevPAR is reported \$34.52, down from 55.6%.
- Comparison Set is reporting
 - Occupancy at 45.1%, down 46% for month.
 - Average Daily Rate \$83.03, down 35%.
 - RevPAR \$39.25, down 65% but up \$5.00 in RevPAR from the previous month.
- November at the Hilton Garden Inn DFW South is running 50%, best month since March.

Board member Dirk Burghartz – Four Seasons Resort and Club Dallas at Las Colinas:

- Four Seasons was fortunate in October to host the Major League Baseball bubble during COVID that included all teams and their families.
- November was a different story – slow.
- Reminder that comparison to pace and the past is not applicable and it is important to look for little nuggets of success.
- Last week had 40% Occupancy with five groups; one group had 150 attendees with social distancing in the Ballroom.
- There is some traction in the meeting world.
- Focusing on making sure to position in the market with a lot of space and give safe indoor/outdoor options for social distancing.
- Four Seasons property is well positioned for virtual and hybrid events and educating meeting planners on their options.

- Bookings for meetings and events in next year will be rough. 2022 pace is up significantly.
- Sports Club is doing well with very little attrition after the summer months.
- Four Seasons Resorts President was interviewed and gave an honest and realistic assessment of the future and it holds true for most markets – the Domestic Mountain and Beaches markets are doing well.

Board member Kim Limon – Hampton Inn Irving/Las Colinas reported:

- October Occupancy index was 109.7% and weekend business was helpful in achieving that number.
- Average Daily Rate index was 118.2%.
- RevPAR index was 129.7 and flat.
- Property 2020-21 budget is finalized. Budget may be done quarterly next year.

Board member Nydia Hoskins – Omni Las Colinas Hotel

- Recently held a 254-room night/150-person event. “Small but mighty” is key.
- November had 24 groups, 36 groups in December and an active social month.
- October Average Daily Rate was \$154.00, exceeding forecast.
- Banquet and Catering is carrying the load.
- Staying close to loyal business travelers and relationships.
- Rolling with 79 active associates (most are on-call) and moving furloughed employees into lay off status.
- Quarter 1 in new fiscal year looks good and January 2021 as well.
- Staying optimistic and celebrating the wins.

RESTAURANT INDUSTRY

Board member David Cole reported:

- The National Restaurant Association has released information that over 100,000 restaurants have closed since beginning of pandemic and speculates another 40% will close.
- There have been many closures in Irving and several in office building properties.
- Closures: Bombay Fusion Restaurant at MacArthur Blvd., and Hwy 635; Golden Corral on Beltline Road; Hanaki Japanese on Rochelle and Mi Casita on Sixth Street.
- Cole added his agreement in the recent discussion at the Destination Development Committee meeting regarding staying on top of any City development R-AB discussions. Toyota Music Factory and Water Street show a success in the R-AB change and he noted he feels it would be beneficial citywide.
- The Texas Restaurant Association Board meeting was held in October in San Antonio with social distance guidelines.

DCURD

General Manager Dallas Burke reported:

- Work continues at the Urban Center pump station. Each of the two generator sets with soundproof enclosures are in place. Screening wall construction continues along with pump station electrical construction. This is a \$10 million TIF funded project that is a major safety improvement for the Urban Center ensuring power to operate the pump station at full capacity in the event of a power outage.

- DCURD major waterway improvements are completed with a new culvert installation in Quail Creek. A new section of lake wall is currently being installed on Lake Carolyn replacing a 215 linear foot section of the wall that was deteriorating rapidly. The project is a \$300,000 major infrastructure project and is on track to complete by Christmas 2020.
- Dredging and waterway maintenance projects continue in Valley Ranch for IFCD III. Grapevine Creek is being dredged and repairs to the drainage flume into the Elm Fork are wrapping up.
- IFCD I -The major pump station rehabilitation continues and ONCOR installed the new transformer last week allowing crews to continue interior pump station construction. This is a \$400,000 major infrastructure upgrade to the IFCD I Flood Control System.
- Waterway Debris Removal- The numbers for the fiscal year have been submitted to the City of Irving for inclusion with the City Report to the TCEQ.
- During the October 1, 2019 – Sept 30, 2020 timeframe, DCURD removed 52.47 Tons of Waterway Debris from the more than 60 Flood Control Waterways in DCURD and on behalf of IFCD I and IFCD III.
- DCURD has more than \$3 million of waterway projects planned for this fiscal year with several underway already. The City of Irving TIF is a major contributor of this funding which progresses many critical infrastructure projects for flood control and waterway maintenance.

IRVING-LAS COLINAS CHAMBER OF COMMERCE

Chamber Board of Directors Chair Sam Reed reported:

- Chamber new fiscal year started October 1 and the Economic Development team already has one win with Neighborly Brand, creating 160 jobs and generating \$3 million in capital investment, 35,000 commercial office space.
- Chamber staff is working remotely and reporting economic development remains high with 110 project wins last fiscal year, 20% of which were Corporate Headquarters.
- Unemployment for September increased 1.1% to 8%, but well below the 13.5% reported in May. The State of Texas reports 8.3% unemployment and National numbers declined to 7.9%.
- Reed thanked everyone who joined the Chamber's virtual annual meeting presented by Flowserve. Insights were outstanding and there was a consistent message. He recognized Board member Lear and congratulated her on the Mustang Legacy Award, along with Community Service award winner Christina Winters and Chamber employee of the year Janiece Carter.
- November 19 will be the second annual small service blitz for the community. The goal is to touch each small business in the community and say thank you. Teams of two will work together and anyone interested can join a Zoom conference call today at 4:00 p.m. for instructions and an overview of the event.
- The Changemaker series is on December 16 discussing mental health.
- The next Dallas County Judge Clay Jenkins COVID update zoom call is scheduled for November 25.

Chamber President Beth Bowman reported:

Bowman thanked Lindsey for his leadership and partnership this last year and noted she is excited to work with Chamber Board Chair Reed with the Chamber partnership with the ICVB.

Lindsey congratulated Bowman on her recognition in *Texas CEO Magazine* for exceptional leadership in 2020. She was recognized for her commitment to the economic growth of the North Texas region.

IRVING ARTS AND CULTURE

Executive Director Todd Hawkins reported:

- Irving Archives and Museum received the 2020 Obelisk Award from the North Texas Business Council for the Arts. The award will be presented at noon on November 17 and instructions will be sent on how to register.
- The Irving Archives and Museum is now open Wednesday through Friday from 10:00 a.m. to 4:00 p.m. Reservations can be made for self-selected visitor groups in two-hour or four-hour time frames: 1-10 visitors and 10-25 visitors.
- Irving Arts Center galleries are open Tuesdays through Saturdays from 12:00 to 5:00 p.m. The galleries are free admission, but reservations are required.
- Online galleries can be viewed at www.iaconlineart.com/360tours.
- The 28th Annual Holiday Tree Decorating Competition on display December 5- 31.
- Stories with Santa & Friends is open from December 5, 12 and 19 virtually.

Irving Arts Board Chair Kim Andres reported:

- The Arts Board elections for Chair, Vice Chair and Secretary will take place at today's Arts Board meeting.
- She noted it is great to have some performances in the building again.
- The Arts Center produced a film on social distancing for any performance, showing extremely safe guidelines and governance for museums and Arts Center.
- The Arts Board is expanding the role of the public through committees and restructuring of their bylaws.

Councilman Taylor asked Andres to communicate to the public the update reasons and the importance of updating bylaws.

LAS COLINAS ASSOCIATION

Las Colinas Association President Hammond Perot reported:

- Holiday lighting will take place on Friday, November 20, and flowers at the Las Colinas flower clock will be changing.
- Cocoa with Santa will be hosted at the Jack Singley Academy on December 5 with drive-through gourmet hot chocolate provided by Kitchen 101 from 10:00 a.m. to noon and 2:00 to 4:00 p.m. There will be DIY cookie kits, photos with Santa and in lieu of an admission charge, asking for unwrapped toy donations to Irving Cares. Anyone wanting to attend can register online.
- Enhanced Urban Center patrol will be rolled out on December 8 with two shifts of two patrol officers.
- Working on the budget and focusing on next year and the year after with impact from COVID.
- Monitoring new legislation for next session.

In response to a question from Cooperstein, Hammond responded the dog park is nearly completion and is hopeful will open at the end of 2020 or early 2021. A grand opening will be planned in early Spring 2021.

TIF

Michael Randall reported the TIF has not met since the last ICVB Board meeting but is scheduled to meet on November 17. Randall will give an update at next Board meeting.

Lindsey congratulated Lear and Bowman on their well-deserved award recognitions. He said it has been an honor and privilege to serve as Chair for the ICVB Board. The year has been amazing, and he sees the passion and loving attitude from each Board member and staff. He was grateful to have two past Board Chairs to work with and appreciated their patience. He thanked Board Vice Chair Cooperstein, ICC General Manager Meehan and team for their performance in this difficult year. He is confident the ICC team can meet the demands of our customers and clients during the pandemic. He thanked Gast and added he learned a lot from her and noted her performance and commitment is extraordinary to the organization and the industry. Lindsey encouraged all to continue with cathedral thinking.

Lindsey adjourned the meeting at 1:58 p.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Maura Allen Gast". The signature is written in a cursive, flowing style.

Maura Allen Gast, FCDME
Executive Director