

MINUTES

Irving Convention & Visitors Bureau Board of Directors

Monday, June 26, 2023 at 11:45 AM

Irving Convention Center – Junior Ballroom C-D

500 W. Las Colinas Blvd.

Irving, Texas 75061

Attendance: Richard Stewart, Jr. – Board Vice Chair; Yasir Arafat, Michael Basoco, Beth Bowman, David Cole, Tommy DeBeaudry, Stephanie Fenley-Garcia, Herb Gears, Colvin Gibson, Todd Hawkins, Chris Hillman, Julia Kang, Kim Limon, William Mahoney, Janie Perelman, Hammond Perot, Sam Reed – Board Members; Mayor Rick Stopfer, Assistant City Manager Philip Sanders, Chief Financial Officer Bret Starr, Senior Assistant City Attorney Christina Weber – City of Irving; General Manager Tom Meehan and Assistant General Manager Jeremy Pierce – ICC Staff; Carol Boyer, Lori Fojtasek, Maura Gast, Marianne Lauda, Brice Petty, and Diana Pfaff– ICVB.

Board Vice Chair Richard Stewart, Jr., called the meeting to order at 11:46 a.m. and inquired if there were any citizen comments; there were none.

CONSENT AGENDA

- Approve ICVB Board Meeting Minutes for May 22, 2023
- Accept the ICVB Financial Reports – May 2023
- Review the Hotel Occupancy Tax Collections
- Accept the ICC Financial Reports – May 2023

Stewart noted the minutes include the recognition of former Councilman Oscar Ward and his wife, Kaye, and a separate motion approval of the Hotel Occupancy Tax Collections with input from the City Attorney's office on delinquency lawsuits. Stewart called for a motion to approve the Consent Agenda. On a motion from Board member Sam Reed, and a second from Board member Colvin Gibson, the motion was unanimously approved.

INDIVIDUAL CONSIDERATION

- ICVB Budget and Marketing Plan – Fiscal Year 2023-24
- Convention Center Capital Improvement Plan
- Destinations International Code of Ethics
- ICVB Board FY2022-26 Strategic Plan Annual Update

Gast Noted the Destinations International Code of Ethics and the Strategic Plan Annual Update are required for the ICVB Accreditation. There was a good in-depth discussion reviewing the budget at the Executive Committee meeting on Friday, June 23.

Gast gave an overview of the that included:

- Industry Outlook
- Key Priorities
- Five-Year Path to Financial Stability
- Needs Analysis Survey Results
- Organization & Departmental Overviews

- Convention Center Capital Improvement Plan
- Financial Position Summary
- Destinations International Code of Ethics
- FY2022-26 Recovery Strategic Plan Annual Update

Key points:

- Industry Business Travel is not back fully yet, and threats of a recession will continue to impact that, along with inflation issues.
- Texas Room Rate is growing slowly.
- Occupancy Quarterly Comparisons – Leisure travel has been a stronger component in the last few years than ever before.
- ICVB Key Priorities
 - Restore financial stability.
 - Solicit meetings and groups to convene in Irving.
 - Build optimal awareness of Irving among travelers, decision-makers, and influencers.
 - Influence appropriate product development.
 - Provide leadership that unites the hospitality industry with the community.
 - Secure resources that will allow the ICVB to achieve its vision, mission, objectives, and goals.
- Five-Year Path to Financial Stability
 - Pay back City Loan.
 - Rebuild all fund balances.
 - Establish Tourism Public Improvement District (TPID).
 - Protect the hotel tax allocation when current Irving legislation sunsets in 2026.

Irving Convention Center Capital Improvement Plan:

- Key Goals
 - Protect guests and employees.
 - Maintain & increase customer satisfaction.
 - Extend the life of mechanical systems.
 - Enhance appeal, and thus revenues.
- Project Priorities
 - Health & safety requirements.
 - Mechanical systems.
 - ROI/Revenue enhancement.
 - Customer, environmental and aesthetic benefits.
- Respond nimbly to emergencies.
- Achieve and sustain a minimum balance of \$3 million in this fund.

In summary:

- The financial position goal for each fund:
 - General Fund – current minimum goal \$2,000,000; projected fund balance \$3,359,159.
 - Reserve Fund (Catastrophic) – minimum goal \$5,000,000; projected fund balance \$5,529,471.
 - Computer Replacement – current minimum goal \$500,000; projected fund balance \$502,707.
 - Convention Center Reserve/Capital Projects Fund – minimum goal \$3,000,000; projected fund balance \$2,560,900.

Stewart reported Board Chair Bob Bourgeois sent his congratulations and thanks to Gast and staff for the preparation of the plan.

Stewart called for a motion to approve the ICVB Budget and Marketing Plan for fiscal year 2023-24. On a motion from Board member Sam Reed, and a second from Board member Herb Gears, the motion was unanimously approved as presented.

Stewart called for a motion to approve the Convention Center Capital Improvement Plan. On a motion from Board member Colvin Gibson, and a second from Gears, the motion was unanimously approved as presented.

Gast noted the Destinations International Code of Ethics is included in the meeting packet. Stewart called for a motion to accept the DI Code of Ethics. On a motion from Board member Julia Kang, and a second from Gibson, the motion was unanimously approved as presented.

Stewart called for a motion to accept the ICVB Board FY2022-26 Strategic Plan Annual Update. On a motion from Kang and a second from Board member Bill Mahoney, the motion was unanimously approved as presented.

CHAIR REPORT

Stewart noted the next Board meeting is scheduled for July 24 in the Grand Ballroom of the Convention Center. Updates may include more information on the 88th Texas Legislative Session and how to proceed with respect on items that could affect the industry.

COMMITTEE REPORTS:

Board and Business Development

Committee Chair Herb Gears reported the Committee met on June 10 and topics of discussion included:

- Presentation on the legislative session and what it means to the ICVB and City of Irving.
 - House Bill 2127 “Death Star Bill” ties the hands of local officials in regulating development in the community. It is essential for the State to recognize the importance of local government.
 - The Texas Hotel and Lodging Association reported that all Bills they offered the Legislature have passed.
- Also discussed collaboration with City Council members, meeting with new Council members and inviting them to attend Board meetings and/or Committee meetings.
- Gears complimented the ICVB and ICC staff on their accomplishments, dedication, and passion.
- There will be two open ICVB Board positions and the Committee will be discussing recommendations of prospective Board members with interest in serving on the Board.
- The next Committee meeting is scheduled for September 8 at the Irving Convention Center.

Community Engagement Committee

Committee Chair Colvin Gibson reported:

- The next Committee meeting is scheduled for July 11. Committee members and staff are active in advancing the Strategic Plan objectives to present the High Spirited Citizen recognition luncheon, now scheduled for Tuesday, September 5 at the ICC. The Committee is currently screening as many as 10 additional nominees for approval this summer. The goal is to recognize 13-15 honorees at the luncheon.

Destination Development Committee

Committee Chair Greg Malcolm reported:

- The next Committee meeting is scheduled for May 9 at 11:30 a.m.

CITY REPORTS

Mayor Rick Stopfer:

- DART:
 - The City is working with DART management to ensure a good return on the \$100 million spending, with \$24 million back to the City to use for the downtown Irving area and potentially a DART light rail station at the Texas Stadium site.
 - The DART Board is hiring a consultant to determine the equity each City receives and the development of the Board.
 - Thanked Gast and team for their diligent work on the FY2023-24 budget and ARPA fund utilization with responsible spending.
- There are two new City Council members. They will be welcomed next month after the remodeling of main Council Chambers for new audio-visual equipment.
- The City is busy with the budget season. Still maintaining a AAA Bond rating. Expenses and salaries will increase by moving all employees to the 80% salary standard.
- Waiting to see the effect of the property tax reduction from the legislative session.
- Road construction is on target. Downtown Irving construction will be completed by November 2023. The challenges will continue but moving forward as planned.
- Hiring nine additional members to the waste collection staff. Recycling and brush pick up will be once per week.
- Spending \$100 million on pools and recreation facilities.
- Volunteers are lacking at the animal shelter and the shelter is closing one day a week for staff to clean and maintain the facility.
- The Toyota Music Factory and Brookfield management are good partners with the City. They are spending \$8-10 million to bring up the venue to a higher standard with upgrades.
- Zoning processes and definition changes are being updated to manage Irving moving forward.
- It is a challenging time for Irving non-profit agencies. There are two food services that run weekly. The Salvation Army serves over 200 families per week, and there are women and children's programs. The City is partnering with Dallas County for a \$1.5-2 million upgrade to the Brighter Tomorrow's facility to bring additional assistance. There are fundraisers that are providing for the homeless.
- The Irving Schools Foundation provides food to students during the summer. Parks is providing care facilities with food distribution as well.
- He commended Gast and Executive Director of Irving Arts and Culture Todd Hawkins for a fabulous job representing the City in quality and stellar fiscal responsibility with ARPA fund spending and recording.

City Manager Chris Hillman reported:

- Expressed his appreciation for Mayor Stopfer's understanding of issues and engagement.
- Later this month will be fully staffed with lifeguards. This is an extraordinary accomplishment. Salaries are starting at \$16.05/hour.

- Working through the aquatic process with incredibly old neighborhood pools and plans to move forward. Staff proposed a bold and aggressive plan that Council has approved for investing \$92 million into aquatic and recreation facilities. Building a new indoor aquatic center that will be open year-round and completed in 2.5 years. Also, replacing Lee pool with a similar outdoor and seasonal facility. The City purchased nine acres in North Irving for a \$60 million full-fledged aquatic and senior citizen facility. Anticipating opening in 2.5-3 years. A detailed plan will be presented to City Council and will be presented with no tax increase.
- The Sparks and Stripes event at Levy Plaza on July 4 returns this year with the original fireworks vendor and will have seven barges on Lake Carolyn.
- The City staff salary plan will cost \$15 million per year.
- Shout out to City crews and solid waste employees working in the heat. The City is providing them with what they need for safety. It is essential to move forward with new options as the current system is not sustainable. City Council has authorized a consultant to investigate automation of the solid waste program and Council will make a policy decision.

In response to a question from Board member Stephanie Fenley-Garcia, Hillman discussed the options of a new City Hall facility or renovation of the current building. Investments will need to be made to address the issues. Various locations for a new building are being considered and other options as well. Budget dollars are being set aside to pay for design and engineering fees. The goal is to not increase property taxes. No decisions have been made.

BUREAU MANAGEMENT AND STAFF REPORTS

Bureau Management

Executive Director Maura Gast reported:

- The City has filed three lawsuits against the delinquent Hotel properties for Hotel Property Tax collections.
- Congratulated the Irving Archives and Museum and Irving Black Arts Council for receiving the Excellence in History award from the American Association of State and Local History and Destinations International Hall of Fame for the creators of The Green Book, Victor H. and Alma Green.

Assistant Executive Director Sales and Services Lori Fojtasek reported:

- The Sales team is currently reporting 130% of their goal year-to-date.
- Recently hosted Redken with 2,500 attendees, Steubenville with 5,000, Texas Frightmare with 8,000 and Akon with 15,000.
- Shout out to the ICC for the Frightmare event. The event producer commented it was by far the best event he had hosted.
- The Nigerian American Convention is coming soon and utilizing several hotel properties.
- Embassy Suites located off Highway 114 is scheduled to open in July with 168 rooms.
- The Sales team toured the Violet Room at Toyota Music Factory, which is scheduled to be open by end of 2023.

Gast commented that the Steubenville group event went on until late yesterday afternoon and the ICC staff had the building cleaned up and rooms turned over efficiently and fast.

Assistant Executive Director Marketing and Communications Diana Pfaff reported:

- Social media added 1,294 followers and likes in May, bringing total influence to 150,545.
- Advertising engagement was the highest it has been in the last eight months. Priceline was the top performer for website visits in May, followed by MPI and Meetings Today.
- Congratulations to Fojtasek and Sales team for being mentioned in the Top 50 Meeting Destinations in North America from Cvent.
- The Sports Club at The Resort at Las Colinas has been rebranded as The Nelson Golf and Sports Club and Mrs. Byron Nelson will donate memorabilia for the club.
- Thanked the Mayor for mentioning the animal shelter and the need for volunteers. The staff is working hard, and a new Director for the DFW Humane Society is starting tomorrow.

Administration and Finance

Gast reported for Assistant Executive Director Finance and Administration Susan Rose:

- The AirDNA reports for May shows:
 - There were 604 available listings, which is about a 12.9% increase in listing over last year's figure of 535.
 - The Average Daily Rate was \$213.80, which was an increase of 9.65% over last year.
 - Occupancy percentage of 61.5%, which was a decrease of 5.32% compared to last year.

CONVENTION CENTER MANAGEMENT

Assistant General Manager Jeremy Pierce reported:

- There were 27 events in May with 31,000 attendees, which is double the previous year.
- Year-to-date 612,831 visitors, a significant increase from the previous year at 110,115.
- Revenue is up, but expenses are also up for the year.
- Building projects include:
 - The outside LED lighting is being installed and will hopefully generate social media posts.
 - The LED lighting on the inside columns and elevators will begin soon.
 - Painting and updating projects throughout the building are continuing.

INDUSTRY PARTNERS

LIVE NATION UPDATES

Live Nation General Manager Tommy DeBeaudry:

- There have been 87 concerts promoted for 2023 year-to-date and 97 events for total in 2022. Events are on pace to exceed 2022.
- Year-to-date there are 37 amphitheater shows, and there were 44 in 2022.
- The busy months will be August through October 2023.
- The heat is a big concern for July and August amphitheater shows. Implementing a wrist band program so people will not have to stand in line in the heat for general admission events. Security will be onsite if anyone decides to stay and wait. Water and bathrooms will be accessible and two Emergency Medical Technicians will be protocol for the events.

HOTEL INDUSTRY UPDATES

Board member Kim Limon:

Hampton Inn Irving/Las Colinas

- Report for May:
 - Occupancy reporting 73.90%.
 - The Average Daily Rate was \$122.78, over the competitive set of \$107.10.
 - Revenue per available room was \$90.75.
- The weekend rate is lower than last year.
- June is looking slow.

RESTAURANT INDUSTRY UPDATES

Board member David Cole:

- Attended the National Restaurant Association meeting in Washington D.C. It was his 15th time attending the Public Affairs Conference. The Association is emphasizing recruiting younger people.
- The top three Legislative Bills following are:
 - Essential Workers for Economic Advancement Act: creating employment pathways for difficult-to-fill positions. It creates a way for workers to come to the U.S. on market-driven, non-immigrant, three-year visas and is intended for small businesses in industries with comparatively low sales per employee. The food service industry is the nation's second largest private sector employer, with more than 15 million people.
 - Credit Card Competition Act of 2023: card swipe fees would save restaurant operators billions of dollars every year and allow business owners to choose the networks to process their payments.
 - Tip Credit: An employer pays each employee the federal minimum wage. The amount paid to an employee may not be reduced by a tip credit against the minimum wage. This does not allow an employer to keep any portion of a tipped employee's tips and goes into effect September 1, 2023.
- Texas restaurant facts in 2022: \$95.1 billion in sales, 1.4 million employees, 11% of the employment in the State.
- Cole had a chance to meet with several Texas leaders at the Conference.

PARTNER ORGANIZATION AND STAKEHOLDER REPORTS

Irving-Las Colinas Chamber of Commerce:

Chamber President Beth Bowman reported:

- Of the 55 Headquarter companies in the State of Texas, Irving is home to ten.
- Thanked the Irving Economic Development partnership to bring Korber, a German-based global supply chain firm to Irving. They have added an American headquarters in Irving. Mayor Stopfer attended the Open House.
- Remodeling firm Westshore Homes opened new corporate headquarters, and Texas AirSystems leased space for its regional office in Las Colinas with more than 100,000 sq. feet of office space.
- The Chamber team is on the road backfilling the pipeline with over 100 projects.
- The unemployment rate increased to 3.6%, compared to 3.2% in April and 4.1% Texas and national at 3.4% for May.

- The Five Star Mixer at the Westin Irving Convention Center Hotel poolside was a great success. It was good to see the Wells Fargo campus under construction from the rooftop pool.

Mayor Stopfer added there has been a tremendous run with restaurant openings in Irving and more involvement with businesses. The Wells Fargo project was 3.5 years in the making and 4 years on Christus Health project. It is a job well done to the Chamber team and he recognized the staff for their commitment and partnerships with the City, the Chamber and the ICVB.

Irving Arts and Culture

Irving Arts Center:

Board member Todd Hawkins reported:

- Thanked Gast for the recognition and induction for the Greens into the Destinations International Hall of Fame.
- The Irving Arts Board unanimously passed the FY2023-24 proposed budget at the June Board meeting.
- Hawkins recently attended a performance at Below 54 in New York City and was invited to Ann Hampton Callaway, who wrote and sang the theme song to “The Nanny.” From that visit, Hawkins announced Callaway will be in concert in the Dupree theater on January 5, singing 70’s inspired originals. The concert is the second installment of the new Storyteller Series.
- The series will also feature Canadian singer-songwriter Royal Wood and Oklahoma-born, Brooklyn resident Gabriel Royal, who started his career performing in the NYC subway, perfecting his unique sound, and amazing stories.
- Irving Arts Center Carpenter Hall productions:
 - *The Barricade Boys* on Friday, October 6.
 - *Mariachi Herencia de Mexico: A Mariachi Christmas* on Friday, December 15.
 - *The Beat Goes On: Featuring Lisa McClowry as Cher* on Friday, January 19.
 - *Jazz at Lincoln Center presents Sing and Swing* on Friday, February 9.
 - The Japanese Drum and Dance Ensemble *DRUM TAO* on Thursday, February 29
 - *Rumors: A Fleetwood Mac Tribute* on Thursday, March 28.
- With the *Green Book Exhibition* award, this is the second year in a row that Irving Archives and Museum has been nationally recognized for their amazing work.
- May 27 – August 20 at Irving Archives and Museum is the Smithsonian traveling exhibition, *Delores Huerta: Revolution in the Fields*. The exhibition is in both English and Spanish.
- Jaime Arredondo, a graduate of Irving High School, has done a beautiful illustration of the *Popol Vuh*. The show is being planned as a touring exhibition originating in Irving. The exhibition will open on September 2nd and run through February 3, 2024.

Las Colinas Association

Board member Hammond Perot reported:

- Architectural control submissions are reporting a ten-year high in numbers and 10% increase during the assessment season.
- A payment portal was rolled out prior to the assessment season.
- A Special Board meeting in early October will cover land use changes.
- Rollout out Mandalay Mile kiosks for the 50th Anniversary celebration around Lake Carolyn and on the promenade. A link to historical facts along the path will be included.

Stewart noted there is useful information in the attachments that are included in the Board packet and encouraged everyone to read them each month. With no further discussion, Stewart adjourned the meeting at 1:45 p.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Maura Allen Gast".

Maura Allen Gast, FCDME
Executive Director