

**MINUTES**  
**IRVING CONVENTION AND VISITORS BUREAU**  
**BOARD OF DIRECTORS – EXECUTIVE COMMITTEE MEETING**  
**IRVING CONVENTION CENTER – FIRST FLOOR CONFERENCE ROOM**  
**Friday, December 10, 2021**

Attendance: David Cole – Board Chair; Bob Bourgeois – Board Vice Chair; Karen Cooperstein, Greg Malcolm, and Richard Stewart, Jr. – Committee Members; Yasir Arafat, Michael Basoco, Herb Gears, Colvin Gibson, Nydia Hoskins, Julia Kang, William Mahoney, Joe Philipp, and Sam Reed – Board Members; Tom Meehan – ASM/ICC; Maura Gast, Carol Boyer, Marianne Lauda, Brice Petty, and Susan Rose – ICVB; Guests – Director of Lodging Analytics Aran Ryan – Tourism Economics.

Board Chair David Cole called the meeting to order at 9:00 a.m. and inquired if there were any citizens that would like to comment on any subject on the agenda. There were none. Cole expressed his appreciation for everyone's attendance. He noted the ICVB Executive Committee is where Board members can learn the most and develop relationships. While all board members are welcome and encouraged to attend, non-Committee members may not present motions or vote on items. All meeting agendas are posted as public meetings and only agenda items are reviewed. The new Board member orientation meeting will be scheduled soon and will include a wealth of information about the ICVB and its governing Board.

**IRVING HOTEL OUTLOOK PRESENTATION – TOURISM ECONOMICS**

Executive Director Maura Gast and Assistant Executive Director Finance/Administration Susan Rose introduced Director of Lodging Analytics Aran Ryan who is attending by video conference. Tourism Economics is a global forecasting and analysis firm focusing on travel. The ICVB requested American Rescue Plan Act (ARPA) funds to conduct this study and produce a quarterly report on key lodging trends.

Ryan's presentation included charts showing:

- Pandemic impact on travel was rapid and severe. In a 30-year review, there was a drastic drop in RevPAR for 2020 and a surprising resurgence in 2021. The fourth quarter assumption is weaker due to holidays and less business travel.
- US hotel room demand is still below pre-pandemic levels. Third quarter 2022 is expected to increase to past peak levels.
- Economic Assumption – surge in consumer spending is underway with 8% growth. This is driving businesses to reopen and reinvest.
- Inflation will be uncomfortable for another six months. Consumer price increases are 6.8% and will remain higher than normal likely through the end of 2022.
- Employers face challenges in re-staffing. Reopening will be driven by finding the appropriate labor. Unfilled job openings are 1 in 10 in the food/customer service sector. Over time, it is expected hotels will find staff but may take time and higher wages.
- Intentions to travel remains high. Above 90% of people have plans to travel in the next six months. Business travel is slower to return. Omicron virus variant has made things even slower.

Irving Lodging Quarterly Forecast will be:

- A review of assumptions.
- An approach to the model based on analysis of historical STR data performance, travel recovery timeline and pricing gains, assumption on new property openings
- Model is based on monthly STR hotel data by segmented demand and sub-markets
- Annual and Quarterly results through 2024.

Recap:

- Hotel performance in Irving is partway through a strong recovery, but it will take time to recover to pre-pandemic levels.
- The timing of the recovery remains uncertain.

In response to a question by Board member Greg Malcolm, Ryan stated closed hotels influence supply and properties under construction were included in the report assumptions. Gast stated the Irving hotel development status report listings also were shared. Malcolm shared his properties are thinking Occupancy will be back in 2022 but Average Daily Rate will remain off. Board member Nydia Hoskins reported STR research is reporting a 2024-26 return to pre-pandemic numbers. The Omni Las Colinas Hotel shows the leisure market is not enough to make up for lost business and group travel. Gast noted all components need to recover (Occupancy, RevPAR, and ADR) for it to make a difference for the Irving and the ICVB. Malcolm and Hoskins agreed rate leaders will emerge in the market. Gast noted the leisure market messaging has been successful and will continue to message there. The focus is on doing what is needed right now to influence demand and build the pipeline.

#### ICVB FINANCIAL REPORTS FOR SEPTEMBER AND OCTOBER 2021

Director of Accounting and Budget Marianne Lauda reported working with City Finance on American Rescue Plan Act (ARPA) funding. The auditors will review and once approved, the September and October 2021 financials will be presented to the Committee. Hopefully will have November and December 2021 financials completed as well for next month's meeting.

#### HOTEL OCCUPANCY TAX COLLECTIONS

- Luxury and Full Service
  - Received \$2,073,588.79 for the Fiscal Year. September is reporting \$263,000 up from all prior months. The ICVB does not receive Hotel Occupancy Tax from the Westin Irving Convention Center Hotel, but collections go toward paying the debt service. Numbers are included in the report for comparison.
  - The City continues to work with delinquent properties on collections.
- All Suite/Extended Stay
  - Hyatt House paid in September for back taxes from April and May.
  - Homewood Suites is behind in payment.
  - Revenue is down, reporting \$92,724.10 in collections for September and \$964,165.21 the year.

- Budget Service
  - Reporting \$497,473.29 for the year in collections.
  - September trending down from \$50,000 range to \$45,000.
  - There are no delinquent hotels in this category.
- Limited Service
  - Wingate Inn by Wyndham Dallas Las Colinas has paid two delinquent quarters.
  - There are a few delinquent hotels, leaving September down from prior months and reporting \$995,869.47 for the year in collections.
- Short Term Rentals
  - Number of locations is down from 45 to 38 in September.
  - Collections will continuously change.
  - Collected \$46,715.98 for the year.
  - There is not enough history to know what the expectations are in the future for this category.

#### IRVING CONVENTION CENTER FINANCIALS – OCTOBER 2021

General Manager Tom Meehan reported:

- Closed out the fiscal year through September. October is first month of FY2021-22 fiscal year and the ICC made budget for the month.
- There were 8,000 people and 14 total events in October, with a Total Adjusted Gross Income of \$330,000.
- Catering is the dominant driving factor.
- Indirect Expenses are on target. The \$40,000 better than budget number came out of payroll due to not being staffed as estimated in the budget.
- Rental Income for the month is \$6,500; Catering is \$11,000 and Concessions and Parking are up.
- For the month, event income is \$240,000.
- Other Income includes the Westin Irving Convention Center Hotel garage.
- Expenses are stable with Salaries and Wages under by \$40,000 and within budget by \$2,400.
- In reviewing the Comparison Report, Meehan noted last October reported \$8,383, compared to \$244,011 this October. Two years prior shows a blistering pace for Catering at \$605,052 and \$0.00 last October. The current month is still down at \$111,491, but better than the last 18 months.
- The Forecast is based conservatively on bookings for the rest of the current fiscal year, at their total contracted amount. Showing \$46,000 off budget, but numbers between November and September will fluctuate. The new COVID variant is scaring some groups into moving dates out into the next fiscal year. Starting off the fiscal year, confident in making budget and encouraged for the future of the building this year.

Gast explained the summary breakdowns in the ICC financials are by various types of events: Banquets, Convention, Meetings, etc. In the future, the Related Party Events category will capture City of Irving events as was discussed during the audit.

With no further discussion, Cole asked for a motion to accept the ICC October 2021 Financial Report. On a motion from Board member Karen Cooperstein and a second from Board member Julia Kang, the motion was unanimously approved.

Cole asked for a motion to accept the Executive Committee meeting minutes of November 12, 2021. On a motion from Board Vice Chair Bob Bourgeois and a second from Board member Richard Stewart, Jr., the motion was unanimously approved.

CHAIR REPORT:

- The December 13, 2021, Board meeting agenda was reviewed. New and reappointed Board members will be sworn in at the beginning of the meeting. A recap of the Tourism Economic Outlook presentation will be shared. Under City Reports, a briefing of the Pension Obligation Bond report will be presented.
- The newly elected Arts and Culture Board Chair Kelly O'Briant will attend Board meetings.
- Gast noted staff has met with the City on ARPA coding of funds and required documentation. Forms and processes are still being refined. COVID impacts will be included in the new Board orientation.
- Cole requested everyone review the Board meeting packet prior to meetings and absorb the information included.
- The 2022 ICVB Board and Committee Meetings and Activities schedule, along with Committee assignments and meeting dates are included in the packet for review and included in the Board packet. Cole emphasized any Board member can participate in as many Committees as interested.

CITY COUNCIL UPDATES

- Gast noted there continues to be support for the R-AB Ordinance changes.

The next Executive Committee meeting is scheduled for Friday, January 21, 2022. Cole thanked all the new Board members for participating in their first Committee meeting.

With no further discussion, Cole adjourned the meeting at 10:19 a.m.

Respectfully submitted,



Maura Allen Gast, FCDME  
Executive Director