

Visitors Promotion Committee
Meeting at Lincoln Chamber of Commerce
June 16, 2021
MINUTES

In Attendance: Amy Dickerson, Tara Knuth, Susan Madsen, Roland Morgan, Becky Perrett, Aaron Stitt, Dave Derbin, Roma Amundson, Michelle Waite and Kate Bolz

Absent: Jeff Cunningham and Tammy Ward

Staff Attending: Jeff Maul, Derek Feyerherm, Ron Kalkwarf, Todd Wiltgen and Diane Pryor

Call to Order and Introductions:

Becky Perrett called the meeting to order at 1:31 p.m. and asked everyone to make introductions and for those to serve as the roll call.

Approval of February Minutes:

Perrett asked if there were any comments or questions regarding the February minutes that had been sent out ahead of time in an email to the group. There were no questions and she asked for a motion to approve the February minutes. Madsen made a motion to approve the minutes and Morgan seconded the motion. There being no further discussion, Perrett called for a vote. Knuth, Madsen, Morgan, Stitt and Perrett voted yes. Cunningham and Dickerson were absent. Motion carried.

Approval of May Financials:

Ron Kalkwarf presented the financials showing the CVB Profit and Loss statement covering fiscal year July 2020 through May 2021. Total Income was \$940,508, under forecasted budget by \$470,826 and noted the CVB asked for reduced funding from Lancaster County due to COVID. Moving down to expenses and looking at salaries, they were at \$537,435 and under budget because we had planned to bring back the services team by January, but that didn't happen. There was also an employee out on maternity leave and being paid through short term disability. In Medical & Dental Insurance we were under budget because we did not receive the budgeted rate of increase, we planned on. Printing expense was \$905 compared to budget of \$25,000 because we didn't print the 2021 Visitor's Guide and are planning to recycle and use our remaining 2020 guides. Kalkwarf said Advertising-CVB, Event Promotion-CVB and Sports Event Promotion-CVB were all down because of reduced spending due to COVID-19. Total expense totaled \$1,239,534 and net income was a net loss of -\$299,026. He said, the loss is due to pending approval of our PPP loan forgiveness and that would be recognized later. Kalkwarf asked if there were any questions. Maul added that they have been watching the financials and our reserve very closely. Maul stated that the reserve currently has \$900,000 and he tried to make cuts that did not include cutting staff. Maul said, he feels we got through the pandemic in good shape. Aaron Stitt asked the amount of the PPP loan and was told close to \$400K. Perrett then asked for a motion to accept and approve the financials. Morgan moved to accept the financials as presented. The motion was seconded by Aaron Stitt. With no further discussion, Perrett called for a vote. Knuth, Madsen, Morgan, Stitt and Perrett voted yes. Cunningham and Dickerson were absent. Motion carried. Shortly after, Amy Dickerson arrived at the meeting.

CVB FY 2021-22 Budget

Perrett asked Jeff Maul to go through the proposed CVB 2021-22 budget for the committee. He began with the Income and Room Taxes-CVB and -Bid Fees saying we get 1/12th for monthly operations and we are confident this is a good number. We will use the promotion fund for bid fees and a new marketing grants, which we will talk about later in the meeting, he said. This will allow the improvement fund to build back up as we pay out our prior grant commitments. Maul said we will ask for funds as needed and these are essential funds we use to get events to come to Lincoln. We are budgeting additional Other Income coming from Visitors Guide advertising. In Expenses, Travel & Training is budgeted with a 510% increase because we are talking to clients again and will have 18 tradeshow, bid trips and blitzes. Dues & Subscriptions and Equipment/Maintenance are increasing because of association dues and software licensing. Postage and Printing are also increasing due to an increase in inquiries, custom mailings and requests for brochures and guidebooks. We are seeing some changes in Advertising using print and digital to target the Lincoln market and working with Firespring to refresh the material. In closing, Maul said Event Promotion and Sports Event Promotion expenses match the Bid Fee income figure and we are seeing an aggressive pursuit of sports events, bid fees and grants. He said we are projecting a Net Income of \$223. Maul said thank you for all your support through COVID. He said you will see a return to normal and things are happening quicker than we had thought originally. Things are getting back to the way they were, about 80% have returned and Maul said he feels this is a good budget. Perrett thanked Maul and said it looked good. She asked for questions or discussion and there was none. Stitt made a motion to approve the proposed budget as presented. Madsen seconded the motion. There was no further discussion and Perrett put it to a vote. Dickerson, Knuth, Madsen, Morgan, Stitt and Perrett voted yes. Cunningham was absent. Motion carried.

Directors Report and CVB Update:

Maul gave a VPC director's report. He started saying the office is open and 100% of our staff is back working 40 hours a week in the office. We never missed a beat during the pandemic, he said. The Visitors Center is open 9-3 daily, Monday-Friday and 8-1 on Saturday. In May, we saw some of our best numbers ever with 399 visitors coming through the door. We are seeing a sign of pent-up demand and a new sense of discovery and feel this is backed up by a WalletHub Study stating Nebraska is the state with the 2nd quickest recovery from COVID-19. Maul reminded everyone we are reusing our 2020 Visitor's Guide currently but the new Guide is in the development stages and we hope to have it available in late 2021/early 2022. Legislature yielded several tourism related bills that we have been keeping an eye on. He talked about LB39, the turnback tax for sport facility renovation/construction; LB59 that allows state tourism to sell merchandise; LB274/72 the continuation of carry-out alcohol sales, micro-distillery sales at farmers markets and LB566 which adopts shovel ready, capital recovery and investment act to assist arts/humanities and sports facilities. We continue to work on Legacy Park, which has been in the works for about four years.

Next, Maul gave an update on the NSAA. In 2021, state basketball was done over two weeks and was a success at nearly 85% capacity. In 2022, the state tournament will occur in one week (March 7-12) as a result of UNL hosting the Big 10 wrestling at Pinnacle Bank Arena (PBA). We worked with the NSAA, LPS and PBA to make it happen. The NSAA bowling and swimming/diving were some of the first events to happen as we opened up and had a successful impact in the spring. Maul said the state baseball bid decision is on hold for future years. Currently, the arrangement is shared with Sarpy County. We did find out Sarpy would like to have it all and we said we are happy to co-host or do it individually, whichever NSAA decides is best.

During the pandemic youth sports was the key to some hotel success in 2020 and early in 2021. This is in part to the success of indoor facilities at Kinetic, Lincoln Sports Foundation and Speedway Village. Youth sports has been recognized as a \$15B industry in 2019 and expected to grow to \$77.5B by 2026. It is important to continue to build the destination, he said. Another topic of discussion was Warhorse Casino and the impact it will have on tourism. It will be on the Highway 77 corridor and is sure to generate visits and events to Lincoln. Part of Maul's report was on the hotel projects. A 139-room Holiday Inn Express is expected to open at 9th and O in late June/early July. Morgan added that they are having an inspection now and are working with the state and city. They are hiring staff and having front desk training. He said they have a seasoned manager and he's looking forward to getting things off the ground. Maul also reported on the 154-room Scarlet Hotel, a Marriott Tribute Property on Innovation Campus that's expected to open in early September. They will have a restaurant, coffee shop, a large fitness facility with external memberships, a yoga studio and private dining. They are outsourcing their laundry and concerned with how that will work. They are hoping for a soft opening in late August early September and expect this to be in a great environment.

Social media is at a high right now and Maul gave thanks to our communications team for their efforts. The team has been working extremely hard and it shows in the numbers. They are using new creative and fun features and we are seeing an increase in our following. We've started a #MinuteWith Maul series that is going well. We reached over 11,300 people on Facebook and Twitter during National Travel and Tourism Week and we created a LinkedIn for the CVB in May and want to encourage everyone to check it out, Maul said. The CVB Tour Guidebook (2019) is now complete and ready for distribution. We have been advertising on VisitNebraska.com (2020) with a top-level banner for 12 months with analytics as part of a Nebraska Tourism marketing grant.

Maul asked Tara Knuth to update everyone on the safety on the streets in the neighborhood of the Lincoln Children's Museum. She said they have a rough, aggressive group of homeless people hanging out in groups on the surrounding streets and their patrons have shown heightened concern. They are having group meetings, including people from CenterPointe, to see if they can create safety zones. CenterPointe knows the homeless very well and Knuth said they'd like to work together and show support to them but also to keep everyone in the area safe. They are working on a campaign, she said, with the garages that says, "make a path to park; make a path to play".

Next, Amy Dickerson updated the group on the Lancaster Event Center hosting the National High School Rodeo Finals in mid-July. She said the last state finals are happening this weekend and after those everyone will know if they've made the national finals. She said we are expecting 30K and are using a Nebraska Tourism marketing campaign of "room for the whole family". Also, on July 17th, we'll have a "Welcome to Lincoln Day" where she's asking restaurants and businesses to offer discounts and free small gifts to the rodeo crowd. They'll be having a first day event in the railyard with live bands, games and a street dance. Dickerson said from July 15-24 the restaurants will be full! She thanked the group and said she is thrilled to have them see Lincoln and Nebraska. Maul added that there is so much in Lincoln for these families. During follow-up discussion, Amy said they feel like they are ready. There will be about 2,000 horses and she has 1,270 campgrounds costing \$350 for a full-service sport and \$125 for a dry spot. Maul thanked her for all the work she has been doing.

Derek Feyerherm gave the sales update next saying the CVB has been leading the communities in opening and he is happy with what we are seeing. For a sales breakdown, the CVB issued 64 sales leads for 20,818 room nights. 55% of those leads are for new events that have not been here before. 52% of the leads are

national events and 36% are regional events. Meeting and event planners are ready to start booking, he said, as we are at 75% of leads issued for 2021, 19% already for 2022 and 5% for 2023 events. The comfort level is there. Sports continue to thrive with 73% of rooms bid out. Group/Association is rebounding faster than expected and makes up 18% of rooms bid out. The SMERF market is the slowest to return, he said, and Kelsey McGreer is working hard to expand the Religious Advisory Council to help with the return of religious events. In 2019, there were 76 sales leads for 34,894 room nights for comparison. Feyerherm said we have been seeing an increase in 3rd party meeting planners reaching out to us due to the pandemic and staff being furloughed. We began targeting independent meeting planners in early 2020 and have been attending their trade shows.

In booked business, we have had 43 events booked for 15,235 room nights. 56% of booked room are new events and 40% are national events with 15% being regional events. All but two events booked have been for 2021 dates. 71% have been booked since April 1st as people are ready to have events again. Sports make up 81% of the booked room nights, which is to be expected. Since we met last, we did one tradeshow, Sports ETA, the SportsBiz virtual tradeshow. We participated with Sports Nebraska, had 14 appointments from May 18-21 and feel several with pan out. Cities of the Big 10 are looking to broaden focus as we all need to work together and cross market to get the best results, he said. There has been an increase in site inspections and visits. We are sending out the group tour sales booklet digitally and in print as part of a Nebraska Tourism marketing grant, we received. At the end of Feyerherm's report, Madsen said these are great results and she's happy to see them. She said get ready, things are picking up!

VPC Marketing Grant 2020-21

Maul next presented the Committee with a proposed marketing grant application. He said these would be micro grants presented to the Lancaster County Visitors Promotion Committee in the amount of \$5,000 for the sole purpose of marketing. It can be used to fund web, brochures, TV and radio promotions. If approved, we would have them open on July 1 for the August meeting approvals and again on January 31 for the February meeting. There was some discussion about beefing up the proof of performance to ask applicants to show that they did what they proposed doing when requesting the grant. Kate Bolz suggested using some kind of wording to talk about competitiveness and the use of tax and/or revenue in the application. Maul said not many people would be turned away and Bolz thought there should be some way to restrict the approval process. Michelle Waite wondered if the request for a "clean" document should be changed to say "legible". Maul thanked everyone for their ideas and said he would take a second look at the application and work on getting it "live" by July 1.

VPC Committee Recommendations

Chair Perrett moved next to VPC Committee recommendations for two open positions as Perrett and Morgan move off. The first recommendation was for Jeff Barclay of Pillar Restaurant Group to join the committee for a 4-year term, effective July 1, 2021, through June 2025. Madsen made a motion to approve the recommendation. Knuth seconded the motion. There was no further discussion and Perrett put it to a vote. Dickerson, Knuth, Madsen, Morgan, Stitt and Perrett voted yes. Cunningham was absent. Motion carried. There was a recommendation for Jason Hoehne of New Victorian Inn & Americinn South to join the committee for the other open 4-year term. Dickerson made a motion to approve. Stitt seconded the motion. There was no further discussion and Perrett put it to a vote. Dickerson, Knuth, Madsen, Morgan, Stitt and Perrett voted yes. Cunningham was absent. Motion carried. The third recommendation was to approve Susan Madsen of the Lincoln Marriott Cornhusker Hotel for a 2nd 4-year term. Dickerson made a motion to approve. Stitt seconded the motion. There was no further discussion and Perrett put it to a vote. Dickerson, Knuth, Morgan, Stitt and Perrett voted yes. Madsen abstained. Cunningham was absent. Motion

carried. Item #4 to be discussed was the recommendation of Aaron Stitt and Tara Knuth to move into the role of Chair and Vice Chair effective July 1, 2021. Dickerson made a motion to approve the recommendation. Madsen seconded the motion. There was no further discussion and Perrett put it to a vote. Dickerson, Morgan, Madsen and Perrett voted yes. Stitt and Knuth abstained. Cunningham was absent. Motion carried.

Following the recommendations, Maul took some time and recognized both Perrett and Morgan for their service on the committee and presented them with Lincoln gift baskets as a token of appreciation. He said Perrett has always been such an amazing leader, is very organized and continues to make Lincoln better. Morgan has done an amazing job and we are so thankful for all he has done for us, Maul said.

New Business:

There was no new business.

Adjourn:

Becky Perrett closed her last meeting as Chair thanking everyone for their love and friendship. She said it has been wonderful to get to know everyone. She adjourned the meeting at 2:53 p.m.