

Visitors Promotion Committee
Meeting at Lincoln Chamber of Commerce
June 1, 2022
MINUTES

In Attendance: Jeff Barclay, Jeff Cunningham, Amy Dickerson, Jason Hoehne, Tara Knuth, Susan Madsen, Aaron Stitt, Dave Derbin and Mairead Safranek

Absent: Roma Amundson, Michelle Waite and Tammy Ward

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

Call to Order and Introductions:

Chairman Aaron Stitt called the meeting to order at 1:36 p.m. He thanked everyone for attending and welcomed a new representative from the Mayor's office serving on the Committee, Mairead Safranek. Stitt asked the attendees to introduce themselves and for that to serve as the roll call.

Approval of February Minutes:

Chairman Stitt 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 comments and he asked for a motion to approve the minutes. Jeff Barclay made a motion to approve the minutes and Jason Hoehne seconded the motion. There being no further discussion, Stitt called for a vote. Jeff Barclay, Amy Dickerson, Jason Hoehne, Tara Knuth, Jeff Cunningham and Stitt voted yes. Susan Madsen was absent for the vote. Motion carried.

Approval of April Financials:

Ron Kalkwarf presented the financials showing the CVB Profit & Loss Budget vs. Actual for the fiscal year July 2021 through April 2022. Total Income is at \$1,896,949, he said, with a couple variances including Room Tax-CVB. It is under budget by about \$61,000 because we are only requesting funds from the county as needed. In Other Income we see \$56,137 of PPP loan forgiveness, Kalkwarf said. On the Expense side, Salaries are up slightly because of additional hours worked by the services team. Equipment/Maintenance is higher than budget because of our Simpleview software purchase. Public Relations is higher than budget as well due to the convention center study and some promotional items we purchased that were not in the budget. Total Expense is \$1,896,758 and we are ending with a Net Income of \$191. Maul added that this was the first month we asked for ARPA funds and thank you to the county for that. He also said he is happy with how things are going. There were no questions on the financials. Chair Stitt asked for a motion to approve the financials. Dickerson moved to approve the financials as presented. The motion was seconded by Barclay. With no further discussion, Stitt called for a vote. Barclay, Cunningham, Dickerson, Hoehne, Knuth and Stitt voted yes. Madsen was absent for the vote. Motion carried.

CVB FY 2022-23 Budget

Jeff Maul presented the Lincoln CVB proposed budget for July 2022 through June 2023 to the Committee. In Income, Room Tax-CVB we are looking at \$55,277 more than last year. This is year two of us using ARPA

funds and feel 3.5% will be about right and appreciate the support from Lancaster County. Room Tax-Bid Fees are less than last year at -2.9%, due to a few less big ticket events being recruited. Total Income in the proposed budget will be \$2,647,433 and a 1.6% increase. We feel this is a good operating budget for us that will allow for continued competitiveness. In Travel & Training, the 2.6% increase comes from 16 tradeshow and trainings our staff will attend. Dues & Subscriptions are up just slightly as we are purchasing new sports software that will assist Derek Bombeck with leads in the sports community. We planned a little less for Postage, and more in Printing and Event Promotion as those costs are increasing. Maul said we will need to increase Professional Fees in the next year because of a possible audit related to the use of ARPA funds and also due to sharing the cost of a Strategic Plan that our organizations are embarking on. Maul said the budgeted Net Income will be \$433 in profit and we feel good about this proposed budget. He asked Dave Derbin if the plan for ARPA money is up to 4 years and Derbin agreed. There were no questions for Maul on the proposed budget and Stitt thanked him for his efforts and presentation. Knuth made a motion to approve the proposed budget as presented. Susan Madsen had joined the meeting and seconded the motion. With no further discussion, Stitt called for a vote. Barclay, Cunningham, Dickerson, Hoehne, Knuth, Madsen and Stitt voted yes. Motion carried.

VPC Committee Renewals/Appointments

Next on the agenda was the review of a few committee members whose terms were ending. One was Stitt whose first term is up and he said he would be honored to serve another term. The next member to term out is Amy Dickerson. Stitt said she has done so much for the Committee and the community. Everyone thanked her for her service and Maul presented her with a parting gift. Madsen also is going off the Committee after five years and was thanked for her contributions. Stitt said it won't be the same without her and she has been a great advocate for Lincoln, the community and her hotel. Madsen said she loves Lincoln and enjoyed serving on the Committee. Maul also presented her with a parting gift. Maul also thanked Dickerson for being an advocate for them. She said she is excited for what the future will bring. There was a discussion about how to fill the two spots being vacated. For Dickerson's community spot, Tom Lorenz, of Pinnacle Bank Arena, was nominated. Maul said he had spoken to Lorenz who said he would accept the position if voted in. There were no other ideas or suggestions for that particular opening. Dickerson made a motion to appoint Tom Lorenz to the Committee for a 4-year term. Hoehne seconded the motion. There was no other discussion and Stitt called for a vote. Barclay, Cunningham, Dickerson, Hoehne, Knuth, Madsen and Stitt voted yes. Motion carried. Maul said this becomes a recommendation from the Committee that will be sent to the Board for final approval. If approved, Lorenz could attend the next meeting in August.

For Madsen's opening spot, Maul said we usually fill it from a hotel and rotate through the downtown venues. The next one we would look to is the Graduate and we are thinking about Kevin Junker the general manager there. He said we have not had a conversation with him and asked if there were any other ideas or suggestions. Knuth asked if we always go with the general manager. Madsen suggested Mark Mitchell from the Scarlet Hotel. Mitchell got a lot of agreement from the group. Next, Maul said he would like to ask the Committee to consider another 4-year term for Chair Stitt. Madsen made a motion to approve extending his term for another four years and Barclay seconded the motion. Being no further discussion, Maul asked for a vote. Barclay, Cunningham, Dickerson, Hoehne, Knuth and Madsen voted yes. Stitt abstained. Motion carried. Stitt was humbled and thanked everyone for the approval.

Directors Report:

Maul gave a VPC director's report saying he is very appreciative of the return of great annual spring events including FFA and FCCLA after a two-year break. Youth sports are also returning citywide with a new

AAU Grand Prix Qualifier at two Lincoln sites. 2022 state basketball in March was held in a six-day format due to the hosting of Big 10 wrestling. It was the best alternative at the time but wasn't the greatest for hoteliers and restaurants as many participants stayed fewer nights in Lincoln. We are excited to announce next year will be back to the two-week format March 1-4 and 8-11 of 2023. The games will be at PBA and Devaney only. With the format used last year, the CVB had to pivot some traditions. We continued our pizza feed and hospitality rooms but with a few changes. They remained successful and the teams and coaches look forward to these each year. We tried a few new things this year including a VIP ticket to Lincoln with 48 participating businesses via CVB produced cards and QR code interaction. We also had welcome stickers in merchant windows with QR codes directed to our website. Both went over extremely well. Maul let the group know we have a sales position open with the departure of Kelsey Madson-McGreer. This is in our SMERF market and would be a great opportunity for someone.

The Scarlet Hotel is now open and offering 155 gorgeous rooms tributing different attractions in our state. Convention center discussions continue and it is up to us to talk funding and move forward with plans, Maul said. Next steps include local engagement and a phase 2 study looking at cost/benefit analysis, program scope, site specific analysis, community benefit and financing/governance. He said one of the hardest things is we don't have the project finalized even though we have the why and the need identified. He also said ballfields are coming. We are 30-60 days from an announcement and we have the support we need. National Tourism Week was in May and we had messaging that included destination amenities, economic recovery, workforce and how easy travel can be. We are using National Plan for Vacation reminders to help people remember to use their vacation time they've earned and to remember what a great destination Lincoln is. We have some large projects we are working on in 2022, Maul said. Our VISIT LINCOLN feature video with specific market focus to tell "why us" is being developed and we have been doing a lot of work on our new website coming in October. We also purchased a drone and are excited to begin using it for content production for events and facilities. Maul also said we are very excited to partner with Bryan Health on a virtual reality tour of Lincoln to show the city to people just moving into the community.

Maul presented some travel data next. He said nationally, U.S. Travel Association data for April shows the number of people traveling is returning to normal quicker than was thought. In March 2022, travel spending of \$95B was 5% below the 2019 levels and 35% expect to travel more this summer than last. Nearly 2/3 of American travelers (63%) say rising gas prices will impact their decision to travel in the next six months. We are thinking people will take more "stay-cations" and find tourist attractions in their hometowns and hopefully stay in a local hotel for a night and the use of the hotel's pool and restaurant! On May 26 there was an announcement of \$5M in assistance to local nonprofit tourist attractions affected by the pandemic. This is grant funding available from the city and county for attractions, facilities and venues. Applications will be accepted June 1-14 for a max of \$1M for six months of expenses. The website for more information is Lincoln.ne.gov/ARP. We have two more VPC meeting dates this year, August 17 and November 16. August will be when we review requests for \$5K grants. There was some discussion about the previous grants and their guidelines and limitations. Maul finished his update looking at lodging tax comparisons saying we are trending in the right direction and getting back to where we were pre-pandemic.

Derek Feyerherm gave the sales update next with a sales breakdown. He said we are seeing things coming back and going in the right direction on the sales side, too. The CVB has issued 92 sales leads for 34,840 room nights. Of that, 67% of the leads are for new events, 58% of the leads are for national events and 27% are for regional events. In 2019, there were 71 sales leads for 34,573 room nights. We are seeing the university and religious markets rebounding and flourishing. Feyerherm added there are 38 leads pending

for 16,686 room nights. In booked business, we had 66 events booked for 33,797 room nights. Of that, 13% of the booked room are for new events, 72% are for national events and 21% are for regional events. He said we are wanting 75% combined so feel good about where we're at. There may be a couple things skewing the numbers including the US Roller Sports and Airport Authority, he said, but we feel good about the numbers.

Next, Feyerherm talked about tradeshow his team would be attending this year. There were six that various staff members attended so far in the first five months of 2022 and we will be doing the Fraternity Executives Association and Military Reunion Network appointments virtually. Derek said the Blue Angels Air Show will be back in Lincoln August 26 and 27 of 2023 and we are gearing up for that. We will be hosting it in tandem with Omaha through Offutt. There were no questions on the staff reports.

New Business:

In other and new business, Stitt asked each attendee to give a business update. Jeff Barclay of the Pillar Group began saying things with his restaurants are positive and strong. The downside is people. He said they need staff. The cost of staffing and goods are increasing. Next, we heard from Jason Hoehne from New Victorian Inn and Americinn South. He said they have started 2022 off strong, which is great to see. He agreed that they are short-staffed and added they are experiencing some supply chain issues. However, he is looking forward to a strong summer. Next Susan Madsen gave an update from the Cornhusker Marriott making similar remarks. Things are pickup up and people are coming in a lot for same day stays. It's difficult to staff for that, she said. They are closing the bar and restaurant earlier because the room stays, food and beverage and even conventions are down in June. Tara Knuth from the Lincoln Children's Museum said they've reduced days open to just five per week due to lack of staff. She said they were even closed on Memorial Day because staffing issues. Knuth said they've been hiring more high school students instead of college students. Even with all this, the numbers are rebounding and the people are coming in. It's been great, she said, with a lot of field trips lately. Knuth also told everyone about her recent trip to Poland with the Operation Safe Harbor Ukraine program. The mission was to help the women and children who fled to Poland for their safety. She told of their challenges, everyday interactions and amazing experiences.

Aaron Stitt of Courtyard by Marriott talked next giving some stats about rooms saying they've had over 300 rooms booked and \$76K in revenue. He talked about their occupancy and said the staffing is pretty good with all of their supervisor roles being filled. They feel blessed that they've seen a good applicant pool and things have gotten better lately. He added that everyone should try being more creative in their job postings. Next Jeff Cunningham, of Lincoln Haymarket Development Corporation, said they are having a great year. They have had a lot of successful events even during the pandemic as a lot of planners were creative and showed to be very good at adapting to new ways of holding their functions. We are doing well, he said, and excited to get things going again. Amy Dickerson talked about the Lancaster Event Center saying staffing and the cost of staffing is a challenge for sure. Also, the cost of gas had decreased their numbers. The motorcoach show and the County Fair are coming in August and she expects the attendance to be down slightly but staying optimistic that the two events will bring future hotel nights to our community. Dickerson added they are having good luck with hiring and thanked the county, city and Mayor's office for their collaboration. Mairead Safranek, from the Mayor's office, talked next reminding everyone about the new funds available and walked through the grant process briefly. She said Diane Gonzalez will be leaving and that will open up the job of Communications Director for the City. Finally, Dave Derbin, Lancaster County Administrator, talked about grant funds, finished contracts and working to get numbers out.

Adjourn:

Aaron Stitt thanked everyone for their attendance, time and commitment. He adjourned the meeting at 2:54 p.m.