

**RICHMOND REGION TOURISM
BOARD OF DIRECTORS' MEETING MINUTES
JULY 11, 2024
ASH + OLIVE
12:00 P.M.**

I. CALL TO ORDER & WELCOME

- A. Board Chair Ms. Lisa Sims called the meeting to order at 12:15 P.M.

Welcome Remarks: Chair Sims invited Ashland Town Manager Mr. Josh Farrar to deliver the welcoming remarks. Mr. Farrar provided an update on ongoing projects in the town, notably the Downtown Streetscapes project, which spans the length of England Street from Railroad Avenue to US Route 1. Enhancements include widened sidewalks for improved pedestrian accessibility, the installation of crooked neck light fixtures to match those along Railroad Avenue, and the relocation of utility poles and lines for better aesthetics and functionality.

Ms. Martha Miller, along with town staff, established a public arts commission and has commissioned Ashland's first art project: a gateway arch designed to attract visitors traveling on Route 1. This project will feature two spiral towers forming an ellipsis shape, symbolizing Ashland's "Center of the Universe" theme, and is expected to be completed within the next year.

The town is also working on creating a segment to connect the end of the Fall Line Trail to Downtown Ashland, which will include a visitor information kiosk. Additionally, the beautiful Secretariat statue continues to attract visitors months after its spring dedication. Mr. Farrar invited board members and guests to attend Fourth Fridays in Downtown Ashland from 5-8 PM, featuring live music, food, and more.

Chair Sims then invited Mr. Gregg Brooks, owner of Ash + Olive, to speak. Mr. Brooks expressed his gratitude to Mr. Chris Stem, owner of the building and Ashland Meat Company at Cross Brothers Grocery, for his support in opening the upcoming restaurant. He invited board members to visit the grocery store and the Oakdale event space, also owned by Mr. Stem. With over 25 years of experience in the food and beverage industry, Mr. Brooks is excited to open Ash + Olive as a full-service restaurant within the next four to six weeks.

Chair Sims welcomed Ashland Town Council Member Ms. Pamela Sopall to the meeting, as well as new RRT staff member and Digital Content Manager, Ms. Rebecca Kontos. Ms. Kontos returns to the organization after a summer internship last year and her graduation from UNC Chapel Hill. Chair Sims also welcomed Ms. Lindsay Hurt, Economic Development Director for New Kent County.

- B. **MOTION** Chair Sims requested a motion to approve the May 16 Meeting Minutes. Mr. Todd Parnell motioned to approve the minutes to which Ms. Nancy Thomas seconded. The motion carried.

C. Round Table Updates: Chair Sims invited Board members and guests to share any important updates.

- Mr. Perry Miller shared that Richmond International Airport saw a record month in June with over 245,000 passengers and expects a 10% increase over the previous year.
- Mr. Paulin Cheatham announced a record month for Dominion Energy. Dominion has purchased a lease on a potential offshore wind energy site in Virginia Beach. Governor Youngkin signed a bill to allow Dominion to seek cost recovery for early development work on small modular reactors.
- Mr. Parnell thanked attendees of the Richmond Flying Squirrel's Independence Day Celebration. The Squirrels lead all AA baseball teams in total attendance. Mr. Parney invited board members to his newly launched baseball podcast called Parney Time.
- Ms. Hurt announced the Colonial Downs racing season is underway now through September. The Colonial Downs Festival of Racing will be held August 10th, and the New Kent County Virginia Dery is scheduled for September 7th.
- Ms. Lori Waran invited board members to come out to the NASCAR Cup Weekend on August 10th-11th with lots of family fun planned for the Fan Zone.
- Ms. Angela Wright announced the Hanover Tomato Festival will be held Friday and Saturday, July 12-13th, rain or shine.
- Mayor Greg Kochuba shared that the Colonial Heights amateur baseball team, The Tri-City Chili Peppers' Cosmic Baseball games are sold out, after much media coverage and national exposure.
- Ms. Bridgette Bywater shared that Kings Dominion will host Grand Carnivale; an international celebration held on select days from July 13th-28th. The Food and Wine festival will return on weekends this season to Kings Dominion.

II. NEW BUSINESS

- A. Employee Anniversary Recognition: Chair Sims recognized Mr. Matt Robinette, VP of Visitor Experience at RRT for his 10 years of dedicated service to the organization (2014-2024).
- B. President's Report: President and CEO of RRT, Ms. Katherine O'Donnell presented her vision for RRT's future, provided staff updates, and highlighted key insights from the latest Blue Room Research data.

Mission Moment: Ms. O'Donnell shared the story of how Richmond earned the #1 Town to Visit in America accolade from CNN. Director of Marketing Communications, Ms. Carla Murray, collaborated with a reporter based in Hanover, suggesting activities and attractions in Richmond. The resulting article became part of CNN's "Towns to Visit" series, and RRT was informed that Richmond was in the top ten. It was only upon the article's publication that the team discovered Richmond had been named #1. To capitalize on this achievement, RRT plans to place 6-8 billboards throughout RVA and Tidewater to highlight the accolade to interstate travelers.

Vision for the Future: Ms. O'Donnell reiterated her vision for RRT to the board, incorporating feedback from staff one-on-one meetings and ideas from the senior team retreat this spring. Her vision focuses on three main themes:

- **Tourism as a Force for Good:** Attracting meaningful meetings to the community, updating outdated perceptions of RVA through marketing, strengthening economic mobility through workforce development, and leading in DEI and sustainability practices.
- **Leveling Up by Leveraging New Resources:** Utilizing TID funds and new infrastructure within partner jurisdictions to elevate RRT's efforts to new heights.
- **Making RRT the Best DMO in the Country:** Focusing on staff bandwidth, cutting-edge technology, culture, and efficiency. Ms. O'Donnell's goal is for every team member to thrive at RRT and be in the right roles, aiming to be a best-in-class destination marketing organization.

Staff Updates: Several staff members have been promoted or newly hired in the fiscal year to optimize the team structure:

- Mr. Mike Ritchie has been promoted to Director of Marketing and Creative Services.
- Ms. Alex Eady has been promoted to Senior Content Marketing Manager and will now oversee BLK RVA in-house.
- Ms. Rebecca Kontos has been hired as the Digital Content Manager.
- Ms. Toni Bastian has been promoted to Director of Accessibility and Tourism Sales and will lead RRT's accessibility initiatives.
- Mr. Reed Patterson has been promoted to Senior Event Services Manager, responsible for planning internal events/FAMS, reducing the sales team's workload, and improving staff bandwidth. RRT will hire a new Destination Services Manager to backfill his previous role.
- Ms. Shelly Jiggetts has been promoted to Visitor Experience Manager, overseeing the Richmond Region Visitor Centers and Mobile Visitors Center.

Research & Trends: Ms. O'Donnell highlighted key takeaways from Blue Room Research's report, which will be included in each board meeting packet:

- The travel season outlook is positive overall, with increased travel intent in every segment except for those earning under \$50,000 annually. 93% of travelers plan to take a trip in the next six months.
- Hotel performance in the Richmond Region has been mixed, with a 3.6% growth in ADR. Revenue is growing or holding steady, while occupancy is flattening or dipping.
- VTC's STR data shows a 19% increase in Richmond Central Business District RevPAR on weekdays and a 14% increase on weekends in the past four weeks. Events like the Jalsa Salana Muslim conference with 8,000 attendees and a Jehovah's Witness convention with 2,500 attendees on the week of June 3rd contributed to this success. The week of June 9th saw numerous sporting events across the region, highlighting RVA's diverse assets.
- While weekend performance statewide and nationwide is flat or negative, the Richmond Region is bucking this trend.
- Blue Room Research is working to augment research and trend data into a visual dashboard, and in the future will use data to drive decision-making, and audit what we are doing as a result. In addition to the BRR packet, the RRT Foundation Report was included for board members to read at their leisure. Ms. O'Donnell thanked board members for the fruitful conversations had in one-on-one discussions and looks forward to further discussions

Hotel Sales and Occupancy Chart: The chart breaks down hotel sales and tax revenue in the last fiscal year. Revenue in each locality is up and the region is up 5% and is the highest we've ever had. Attractions in the region are showing increased revenue year over year.

C. Financial Update: Director of Finance, Mr. Mike Kerr, delivered the Financial Update.

Notes:

- Actual Expenses: Through June 28, 2024; adjustments pending June 30 and audit completion.
- Budget Column: Reflects planned year-to-date expenses.
- Remaining Column: Indicates variance between actual and budgeted expenses.
- % of Budget Column: Added to identify significant variances.
- Payroll Expenses: Paid through June 21, 2024.

Summary:

Revenues:

- Total Revenue: \$10,472,252.24, exceeding the budgeted \$9,052,230.
- Notes:
 - Jurisdictions complete
 - GRCC above plan
 - TID revenue expected to exceed plan
 - \$20,000 Virginia Tourism grant expensed over this and next fiscal year
 - Tracking in-kind contributions for audit purposes
 - Advertising above plan
 - Interest well above plan with one period remaining
 - Miscellaneous income includes 401k forfeitures for staff leaving pre-vesting
 - ARPA funds are non-budgeted
 - Revenue without ARPA: \$9,073,754.07, slightly over plan by \$21,524.07; ARPA is balanced in both revenue and expenses.

Expenses:

- Total Expenditures: \$9,644,873.33 versus a plan of \$9,002,230 (excluding \$3,147.17 loss of disposal of assets and \$50,000 reserve transfer).
- Key Expense Lines:
 - Office Expense: Increased due to planned computer replacements and additional staff.
 - Professional Fees: Higher due to unexpected legal expenses, retirement party, Synergy rate increase, new computers, and Blue Room Research.
 - Sponsorships: Unplanned contribution to 2023 jazz festival.
 - Convention Services: Additional meetings acquired, ROI justified \$15,000 expense.
- Net Revenue: \$827,378.91, with a bottom line of \$824,231.74 after other expenditures.
- ARPA Expenses: \$1.39M against \$1.1M income; finalizing remittance to match expenses.

Other Information:

- Audit Cycle: Preparation beginning; initial schedule discussed with Brian Minor of Harris, Hardy and Johnstone.

- Benefits Enrollment: Adjustments of +12% for health, +3% for dental, no change for other benefits.
- Finance and Administration Manual: Revised and presented to staff.
- HRIS Platform: Selection process completed; updates forthcoming.
- Tourism Improvement District: Successful initial 10-month period; building on success for 2024-2025.

2024-2025 Budget:

- **Projected Income: \$10,911,111**
 - \$8.9M from jurisdictional support
 - \$1M from GRCC partnership
 - \$19,000 from small programmatic sources
 - \$847K from TID budget for staffing/operations
 - \$125K from estimated interest earned
- **Projected Expenses: \$10,911,111**
 - Administration: Increased office expenses and professional fees, new research and client relations lines.
 - Community Relations: Added workforce development, increased sponsorships.
 - Destination Sales: In line with prior year.
 - GRCC: Increased incentives in line with cooperative planning.
 - Marketing: Increased advertising for project expansion.
 - Sports: In line with prior year.
 - Visitor Experience: Increased professional fees for event staff, new visitor centers line, increased sponsorships and convention services.
- **Balanced Budget: \$10,911,111**

MOTION The RRT Executive Committee moved to approve the FY25 Budget, to which Mr. Miller seconded. The motion carried.

D. Governance Committee Report: Ms. Bridgette Bywater, chair of the RRT Governance Committee, discussed proposed amendments to RRT's Articles and Bylaws. She highlighted that political subdivisions or entities must be invited by the Board of Directors to apply for membership. For Class A members, approval requires more than a two-thirds majority of all Board members. Similarly, invited political subdivisions or entities need a majority approval from the entire Board of Directors. The Board has not established a formal application process for membership and will instead evaluate any potential new members on a case-by-case basis as determined by the Board of Directors. Additionally, new language has been incorporated into the bylaws to address RRT's limited liability.

The RRT BOD will vote on the Article & Bylaw Amendment at the next meeting, provided that a 2/3 majority of board members is present.

- E. Tourism Improvement District Update: Ms. O'Donnell shared recent updates from the TID.

TID Reception

- The TID Year-End Reception is set for Tuesday, July 23rd from 5-7 PM at River City Roll. Attendees will receive the Annual Report, highlighting the TID's first year accomplishments.

Sales Marketing

- The Sales team hosted a Beetlejuice FAM trip June 6-8 with 6 clients and a Rooted & Rising FAM trip in partnership with the National Coalition of Black Meeting Professionals June 20-23 with 5 clients.
- To date, TID approved incentives are converting at 70%.

Leisure Marketing

- The Black Traveler's Campaign will start up again August 1, featuring the new Black Traveler's video produced by Tilt Creative + Production.
- The Richmond Region Speaks for Itself Campaign will continue for another 6 months, funded by RRT/TID.

Group Tour

- The Pennsylvania Bus Association Conference had 20 direct appointments, and a sales mission to NJ/PA resulted in 28 total appointments.

Workforce Development

- The IAT Hotel Edition has soft launched and will be rolled out in the next few months to the hotel community.
- The Digital Attractions pass will be awarded to IAT Ambassadors as an incentive.

III. OLD BUSINESS & WRAP-UP:

- A. Adjourn: With no further business to discuss, Chair Sims called the meeting adjourned at 1:05 PM.

Board Present:

Brian Anderson, ChamberRVA
Bridgette Bywater, King's Dominion
Paulin Cheatham, Dominion Energy
Greg Kochuba, Colonial Heights
Perry Miller, Capital Region Airport Commission
Todd "Parney" Parnell, Richmond Flying Squirrels
Danielle Ripperton, Children's Museum of Richmond
Lisa Sims, Venture Richmond
Jordan Stewart, New Kent County
Nancy Thomas, InUnison
Steve Trivett, Town of Ashland
Lori Waran, Richmond Raceway

Guests Present:

Robert Cappellanti, City of Richmond Economic Development
Josh Farrar, Town of Ashland
Lindsay Hurt, New Kent County
Dawn Miller, Henrico Sports & Entertainment Authority
J.C. Poma, Chesterfield County
Pamela Sopall, Town of Ashland
Angela Wright, Hanover County

Staff Present:

Danielle Fitz-Hugh
Rebecca Kontos
Michelle Lovatt
Jerrine Lee
Katherine O'Donnell
Mike Ritchie
Matt Robinette
Grantland Steele

Board Absent:

Neil Amin, Shamin Hotels
John Cario, Richmond Hilton Downtown
Pat Collins, TowneBank
Renee Haltom, Federal Reserve Bank of Richmond
Jim Holland, Chesterfield County
Jon Lugbill, Sports Backers
Rita McClenny, Virginia Tourism Corp
Dan Schmitt, Henrico County
Susan Dibble, Hanover County
Michael Lindsey, Lindsey Food Group
Mayush Mehta, JP Hospitality
Ellen Robertson, City of Richmond