

Rock Hill/York County CVB Board of Commissioners
Hilton Garden Inn
June 24, 2020 | 8:00am

MINUTES

PRESENT: Billy Bolin, Denise Cubbedge, JoAnna DiPastena, Laurie Helms, Shea Maple, Ron Miller, Cortney Peterson, David Roberts, Caitlin Rogers, and Brown Simpson

STAFF: Allison Cleveland, Andy Clinton, Billy Dunlap, Briana Francis, Savannah Underwood and Jenny Waller

GUEST: N/A

CALL TO ORDER: Laurie Helms called the meeting to order at 8:02am and acknowledged Shea Maple, with this being the first in-person meeting since his joining of the board.

APPROVAL OF MINUTES: Minutes from the May 27, 2020 meeting were included within OnBoard's meeting documents for review and approval. David Roberts made a motion to approve the meeting minutes; Brown Simpson seconded the motion. All were in favor.

TREASURER'S REPORT: Denise Cubbedge presented the P&L to the board. *5105: York Accommodations Tax:* City Council will formally vote on us being their 30% designation at their July 7th meeting. They will then be able to cut a check for both FY 2019 and FY 2020 payments. *5201: SCPRT Tourism Advertising Grant:* Rebekah submitted an additional \$6,407. Approximately \$4,000 is left for this fiscal year, which will put this line item short by approximately \$8,000. Brianna is working with SCPRT to make sure we are able to recoup as much of the short-fall as possible due to pause in advertising. *5600: Miscellaneous Revenue:* This consists of SIAC Basketball Championship radio ad reimbursement, insurance money from Vizzy, College Disc Golf refund and SBA Disaster Relief Advance. *8220: Visitor Profile & Research:* This account is over due to purchasing the weekly Smith Travel Research report and Uber Media, which collects mobile location data. *8700: Board Operations:* This account is over due to purchasing the OnBoard portal. Since last month, not much has changed due to the spending freeze. Advertising did start back, but overall there were not many expenses other than operational. Motion to approve the Treasurer's Report was made by Ron Miller; seconded by David Roberts. All were in favor.

CEO REPORT: *Funding:* Billy Dunlap shared that he spoke at County Council's final reading of the budget and we got all of the funding that we thought we were going to get from the county. This included \$300,000 in Hospitality Tax and \$127,500 from Accommodations Tax. The A-Tax is less than the previous year, but that is Covid-related. County Council's funding of our budget has dropped from 88% to 26% over the last two years. *Partnership:* Billy shared that meetings have begun relating to the partnership with Rock Hill Parks, Recreation & Tourism (Rock Hill PRT). The contract has been signed and we will officially begin on July 1st. *Partners in Tourism:* There will be changes to how Partners in Tourism (PIT) is administered. More information will be shared with the board after a meeting with the PIT Board. *Destination Marketing Fee Program:* The DMF Program now includes 12 hotels, with the Tru in Fort Mill being the newest to participate. Collection of the fee was suspended since March due to the effects of Covid-19 and will resume July 1st. *Staff:* Performance reviews for staff have been completed and meetings to discuss goals for next year have been scheduled. This will include updated job descriptions for some. *Smith Travel Research:* Review of the May 2020 STR report showed Occupancy at 49.2% for the month, compared to 64.2% from May 2019, as well as Average Daily Rate (ADR) of \$64.69 compared to \$88.48 in 2019. Supply was up 8.3% with Demand being down 17% and Revenue being down 39.3% when compared to May 2019. The weekly report for June 7th showed a positive trend for area hotels, even though they are still down when compared to the prior year. Occupancy along the Cherry Road corridor was 45.5%, down 39%. Occupancy along Hwy 160 was 36.1%. Carowinds area hotel occupancy was 44.4%, down 42%. Dave Lyle hotel occupancy was 43.7%, down 48%. We look forward to seeing the data from this past weekend due to the sports tourism events that took place.

Following Billy's report, David Roberts questioned if our funding will increase if the County's collection of A-Tax increases – it will not. He also asked how we are forecasting for the DMF collection if the hotels are only at 50% occupancy. Billy shared that we are being conservative and budgeted 50% of what we would have budgeted during a normal year. The budgeted figure is \$425,000.

OTHER/NEW BUSINESS:

Approval of FY21 Sales/Marketing Goals: Billy referenced the Sales & Marketing Goals being available on OnBoard for review. A vote to adopt the goals will take place during the July meeting.

Approval of FY21 Budget: Billy shared that our total budget is \$1.6 million, which is about \$100,000 more than last year. Our budget is being separated into a public budget and a private budget based on the source of the funding. *Public:* The public budget includes funding from government entities, grants, as well as ad sales, Covid-savings rollover and event income for a total public budget of \$1,064,420. Expenses on the public side include administrative and personnel expenses, equipment, visitor services, YoCo Brew and Taste Trails and OED Co-Op. Each piece of income is designated for what it can be spent on. For example, Hospitality Tax can be spent on tourism related expenditures while Accommodations Tax can be spent on marketing and operations. There are 27 events outside of Rock Hill and Fort Mill funded by \$300,000 from County H-Tax. *Private:* The private budget has three sources of revenue totaling \$555,000: corporate sponsorships, Covid savings rollover and DMF funding. Billy noted that County Council spent an hour discussing the Rock Hill PRT partnership during the budget workshop. He later met with each council member with the exception of Allison Love and Michael Johnson. He explained how we were tasked to get private money and we are now being told how to spend that money. He continued to say that Allison's salary will be on the private budget next year given her new role in administering the DMF program. The incentive program is zeroed out this year. Billy's recommendation is to have that as a contingency – if we collect over \$425,000 through DMF, the first \$15,000 will fund the incentive program. Everything on the private side benefits the hotels since that is where the majority of the funding comes from. Expenses on the private side include the destination guide, travel for event recruitment, conventions and tradeshow, as well as event expense for Rock Hill PRT events. No public money will be used to fund Rock Hill PRT events. The private budget is \$554,875. The board will approve both budgets, but the county will only see the public budget next year. There will be two separate accounts and checks. All checks will still have to be signed by the treasurer. Hotels will receive a quarterly report showing revenue generated through the DMF program and how it is spent.

Discussion turned towards the future of travel with the RNC's possible change of plans, as well as the positive outlook with sports tourism and the Panthers. Laurie noted that the sports tournaments that were cancelled have been rescheduled for later in the year. Brown Simpson highlighted how this new budget process will be more transparent and mentioned the new County Council members coming on board. David questioned if there was any interest from Airbnb participating in the DMF program. Billy shared that this is an initiative for him this year since short-term rentals generate \$1.2 million in York County, but they pay State A-Tax and no local A-tax, which gives them an unfair advantage over hotels. The City of Rock Hill is now requiring each Airbnb to obtain a business license which then requires them to pay local A-Tax. Municipalities have to become involved with an agreement with each owner.

Laurie stated that the Executive Committee has recommended to approve the budgets and a break out into public and private accounts. All were in favor.

Board of Commissioners' Leave of Absence: Laurie shared that Dan Holmes, Vice-Chair and owner of Towne Tavern, is asking for a leave of absence given the energy and focus that he needs to devote to his restaurants. The bylaws state that he will still be in good standing even if he cannot attend the meetings. The Executive Committee decided there was no need to have a replacement for his role in the interim. Laurie will check with Dan in October to determine if he will be able to serve as Chair in January.

COMMISSIONER COMMENTS: David stressed the importance of board members getting in front of new County Council members. JoAnna spoke on the importance of local elections and knowing the priorities of elected officials. Motion to go into Executive Session was made by Denise Cubbedge; seconded by David Roberts. Staff departed at 8:49am.

EXECUTIVE SESSION:

MATTERS FOR CONSIDERATION FOLLOWING EXECUTIVE SESSION: Staff returned at 9:22am. Laurie shared that survey results were discussed and Billy's performance over the past year merited an incentive bonus as well as the staff. She and David will further discuss the results with Billy. She extended appreciation to the entire staff during this challenging year.

ADJOURNMENT: David Roberts made a motion to adjourn and Ron Miller seconded the motion. All were in favor. Laurie Helms adjourned the meeting at 9:25 am.

Allison Cleveland, Scribe