

AGENDA
Irving Convention and Visitors Bureau
Board of Directors
Friday, October 25, 2019 at 9:00 AM
Irving Convention Center, First Floor Boardroom
500 W. Las Colinas Blvd
Irving, Texas 75039

NOTE: A possible quorum of the Irving City Council may be present at this committee meeting.

1. Citizen Comments on Items Listed on the Agenda

EXECUTIVE SESSION

2. Personnel – Executive Director – Open Meetings Act § 551.074

INDIVIDUAL CONSIDERATION

3. Review and Approve 2019-20 Executive Director's Performance Weightings

CERTIFICATION

I, the undersigned authority, do hereby certify that this notice of meeting was posted on the kiosk at City Hall of the City of Irving, Texas, a place readily accessible to the general public at all times, and said notice was posted by the following date and time:

_____ at _____ and will remain so posted at least 72 hours before said meeting convened.

Deputy Clerk, City Secretary's Office

This meeting can be adjourned and reconvened, if necessary, the following regular business day.

Any item on this posted agenda could be discussed in executive session as long as it is within one of the permitted categories under sections 551.071 through 551.076 and section 551.087 of the Texas Government Code.

A member of the public may address the governing body regarding an item on the agenda either before or during the body's consideration of the item, upon being recognized by the presiding officer or the consent of the body.

This facility is physically accessible and parking spaces for the disabled are available. Accommodations for people with disabilities are available upon request. Requests for accommodations must be made 48 hours prior to the meeting. Contact the City Secretary's Office at 972-721-2493 or Relay Texas at 7-1-1 or 1-800-735-2988.

October 19, 2019

CONFIDENTIAL MEMORANDUM – Personnel Item

TO: ICVB Board of Directors
Clem Lear, Chair
Ron Mathai, Vice Chair

FR: Maura Allen Gast, FCDME, Executive Director

RE: 2018-19 Year-End Report – Annual Performance Review

Enclosed please find my report for your consideration as my annual performance review, based on the priorities and weightings established by the Board. That review will be conducted during a Special Board Meeting on Friday, October 25, at 9 a.m. at the Irving Convention Center; any board member may attend that meeting.

To make the best use of your time in that meeting, this narrative is delivered to you in advance, and I will be happy respond to any specific questions, comments or concerns when we meet. The purpose of the meeting is to allow the board to provide input on my performance, and establish priorities for the year ahead. In some years, you have chosen to have this conversation with me in the room; in other years, you've elected to meet among yourselves and then have the Board's officers meet with me separately to provide that direction. It is always your call.

In establishing the board's priorities, the following were adopted as Performance Categories & Weightings for the 2018-19 year.

- General ICVB Initiatives 27.5%
- ICC Initiatives 27.5%
- Planning Process – TPID-Specific 30%
- Partnerships & Alliances 5%
- Board Facilitation 5%
- Professional Development 5%

The Performance Evaluation you conduct has two components, as authorized by the City's pay plan. For the first component, the Annual Merit Review, the City Pay Plan parameters include an entry Step level and a top Step level. Based on the recently completed ICVB Compensation Study, the range for my position is \$204,105 - \$308,417. (The City's Executive salaries include a \$400/month auto allowance and mileage is therefore not reimbursed.) My base pay is currently at \$208,187, because of a 2% citywide cost-of-living adjustment that took place January 1, 2019. The recently adopted City of Irving budget includes a 2% Cost-of-Living Adjustment that will go into place on January 1, 2020.

The second component is the Incentive Compensation/Performance Management Review, based on the Performance Categories & Weightings you establish annually. A detailed worksheet for those criteria is included

at the end of this document, along with the actual data for those categories requiring same. The maximum established for the incentive payout is 35%. It is the combined components of the base pay and incentive opportunity that make the total compensation competitive with the market.

It has been a challenging year for me on a number of fronts – primarily compounded by two key internal vacancies at a time when the city was also transitioning to the new ERP system, further limiting existing staff’s availability to cover some of the gaps. It’s not been a smooth one on that front for our staff, I am sure, but there is light at the end of this particular tunnel. I’ll look forward to our discussions on Friday, as we map out the priorities for me for 2019-20.

General ICVB Initiatives – 27.5 Points Total

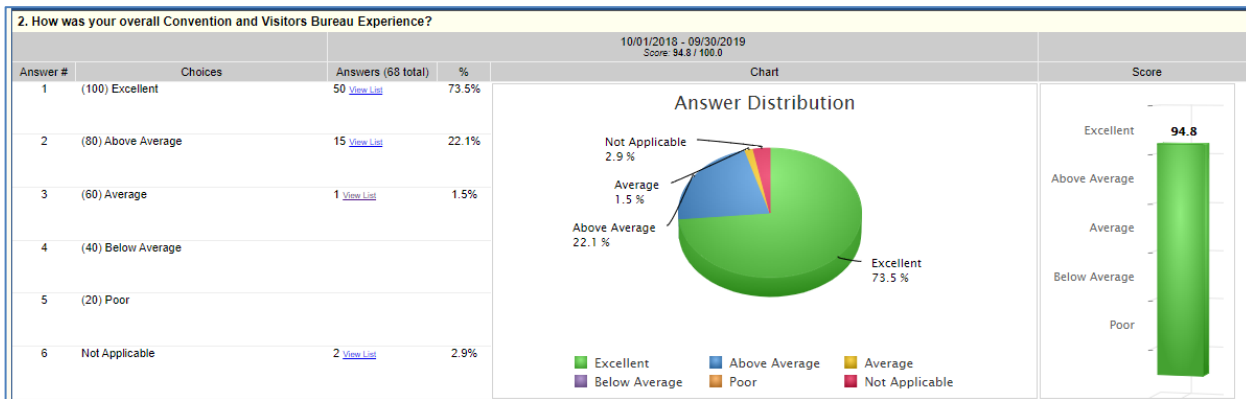
- Sales & Services (15 points)
 - Room Nights Actual to Goal
 - ICVB Customer Service Delivery – Ratings, Issues & Responses
- Destination Marketing (7.5 points)
- Event solicitation, planning & implementation (5 points)

At the beginning of the fiscal year, a goal of a 2% increase over last year’s room night performance was set, for a total of 223,060 definite room nights. The internal audit of the final quarter’s booking is in the process of being finalized; however, the Gross Requested Room Nights are at 246,709, for 110.6% of goal. While I have every bit of faith in Lori and her team, Lori and I both believed this year was going to be a “re-set” year, that it wasn’t going to be possible to exceed where we had been, especially in light of limited group room inventory AND on top of a very seller-friendly marketplace.

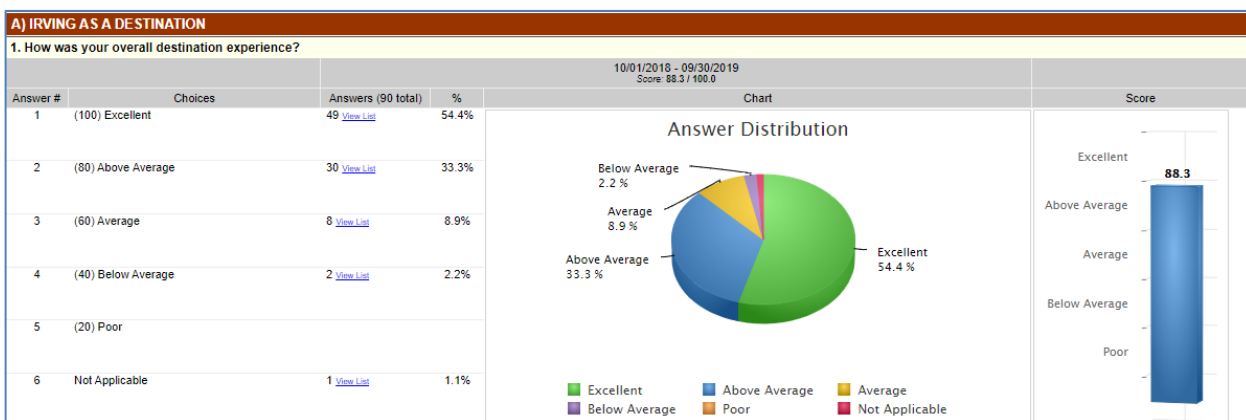
Eight years ago, you approved revisions to the incentive policy for the sales team to provide greater motivation, establishing a 10% payout (versus the prior 5%) for individual sales performance exceeding 105%; this remains key to our continued success, as once again this year, each of the sales managers has exceeded that 105%; the motivation remained to keep pushing even when individual goals may already have been met. A year ago, the new compensation plan further enhanced these incentives, allowing team members to payout with incremental benefits up to achieving 125% of their individual goals. We’re seeing this make a difference.

We have begun phasing out our efforts in incentivizing Airline Crew contract business. These rooms, while of value to certain of our hotels, have required considerable Business Development Incentive Plan (BizDIP) resource, as well as staff resource, to support and maintain, and with those funds limited by our budget capacity, we need to preserve the resource we do have for group opportunities for all of Irving’s hotels. The current airline contracts will be expiring over the course of the next two years. We will continue to net these rooms out annually from the group goal as each contract expires. (Note – the contracts are with the respective hotels and not directly with the ICVB, so we do not have the contract terms for these.)

On the Services side, the ICVB achieved a 94.8% rating; two years ago, you eliminated a specific goal for this ranking going forward, however it remains an important metric of which you should be aware.



For the Overall Destination Experience, the destination achieved an 88.3%; there is no goal established in this ranking, as it encompasses experiences and services far broader than those in the ICVB’s control. Both of the responses in the Below Average rating were hotel-event guests; one client indicated they would consider bringing another event to Irving but did not specify any issues. The other was unsure about bringing another event here, and noted the following issues: hotel selections were too small in meeting space; entertainment venues were limited and difficult to deal with; TMF cancelled our event 90 days after booking; one restaurant in Grapevine cancelled two weeks before event; transportation shuttle buses were difficult and not on-time; hotel had water leakage issues and attendees complained of smell; attendees and meeting rooms had to be moved. On the plus side, this same client indicated: “CVB professionals and hotel banquet staff were exceptionally pleasant and easy to deal with; Cowboys Club was a venue that impressed EVERYONE.”



Out of the eight respondents that rated their experience as Average, there was not a lot of commentary to shed any light on opportunities for improvement. Each respondent was a hotel event guest, not a convention center guest. Comments included: “There was nothing particularly special about this visit. The hotel was described by board members as ‘tired.’” “Average is more about the experience with the hotel, not about Irving or CVB.” “The construction seems to be complete so I’m happy.” “Need more cooperation and understanding from staff with meeting logistics...Terrible parking situation and was not notified by the hotel prior to the event.” “We had some challenges reserving a place for our picnic because we did not have an Irving resident. The hotel’s drop off

radius was 3 miles and I had originally been told it was 5 miles, so that created a bit of a transportation challenge...did not know it was a dry county/city (no alcohol sales.)”

In the sub-category Destination Marketing, four more Adrian Awards were added to the “collection” this past year; the awards recognize creativity, success and innovation in advertising, digital marketing, and public relations. While we do not yet have year-end data for our various analytics, as of August, the Bureau had generated 1,199 RFP opportunities through its online initiatives, representing 409,212 room night opportunities. Our total influence for social media followers has increased to 95,837, a 16% increase over 2017-18. Advertising in trade publications continues to generate online click-throughs, website visits and phone calls.

Our biggest marketing mark for the year was our first-time investment and activation at South by Southwest. This was a monstrous commitment of resource and energies; it was critical to “act like you’ve been there before” and Diana and her team did exactly that. It was a great success on all fronts; we were able to add to our social media influence greatly and set the stage for what will be an even better effort this coming year. Now that we have our legs under us with this event, we have also reached out to our partners at the Chamber and LCA for their investment and participation.

For Event Solicitation, planning & implementation, the ICVB is also targeting industry meetings that are associated with the city’s targeted industries through the City’s Economic Development Strategic Plan. Your monthly board reports from both the ICVB and the ICC highlight any of these that have been identified. We have booked RCMA and PFA for 2020, and now TSAE for 2022. All of these will bring prospective customers to our hotels’ doorsteps and allow us to showcase the city for many years to come. They are not inexpensive investments, but they are worth it. We have kept all the doors open with our partners at the Salesmanship Club of Dallas, and our engagement and sponsorship with the Park Place Luxury & Supercar Showcase extends that relationship. Our annual client “Christmas in July” event had excellent turnout – and great results, leading to prime bookings for the upcoming holiday seasons. This year’s Irving Hospitality Industry Annual Meeting featuring Andy Levine Irving’s Second Act was well-received, and resulted in one of the highest download rates for any of his podcasts. Initiatives with the Dallas Rugby Football Club to assist in their efforts to create a partnership with the City of Irving for Spring Trail Park fell off the radar this year, as the group went “radio silent” in January of this year until just a few weeks ago. They have reached out once again, with new potential investors and wish to re-engage the city in conversations. We’ve asked them to provide in writing the verification of the investors’ commitment before we request any further meetings with City staff, out of respect for everyone else’s time.

The Finance & Administration side of our operation had a happily uneventful year, with no issues as a result of the City’s annual audit, a mostly painless and seamless transition from Banner to Munis (along with the rest of the city) thanks to thoughtful planning and leadership from Marianne, and Monica on her team. The replacement of all our staff’s computers is complete, but ended up paralleling the Munis “go live” timing which provided some challenges, but couldn’t be helped due to some delays with the authorization the agreement. Carol is preparing to launch the volunteer visitor information center pilot project, now that we finally have a list of dates to provide those services and a group of willing volunteers ready to step up. This team has been down two people, with the vacancies created by Mike’s departure and our IT Director’s retirement. Mike’s successor, Susan Rose, starts with us on October 21, and while it will take her some time to get up to speed on the industry, she is more than well-equipped to keep up with all that is needed on the City front. One of her first priorities will be an IT needs assessment – not as much from an equipment standpoint, as all the staff now have new

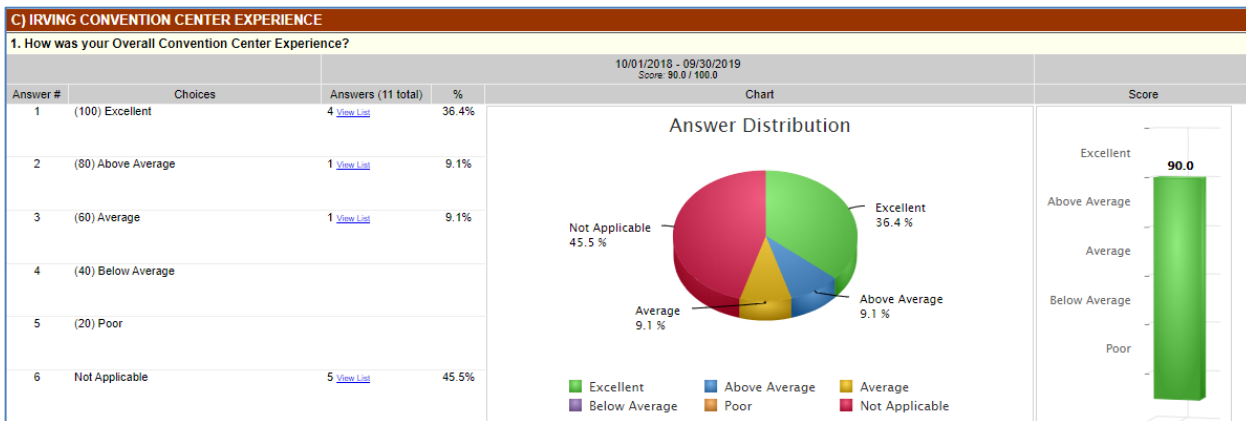
computers, but from a systems and training standpoint. This will then guide how the vacant IT position may be filled.

Irving Convention Center Initiatives – 27.5 Points Total

- Management Oversight (12.5 points)
 - Contract Administration
 - Facility Appearance & Physical Condition
 - ICC Customer Service Delivery – Ratings, Issues & Responses
- Facility Revenue & Subsidy Performance vs Budget (5 points)
- Room Nights Generated (5 points)
- ICC Marketing (5 points)

The Irving Convention Center continues to be a well-run and well-kept asset for the community. Tom has built an incredible team, and even with staffing changes, they just continue to roll and deliver. And when there are challenges, they are met with professionalism and dealt with swiftly. Comments from industry peers who have occasion to be here reference the cleanliness and “like new” feel the building continues to have. Our guests feel the same way. There is also incredible and authentic synergy and partnership between the ICVB & ICC – that is a rarity in our industry and it is a testament to both organizations’ commitment and focus on success.

On the Customer Service front, the building achieved a 90% rating on a goal of 88%. The one rating that designated an Average performance did not actually utilize the convention center for their event, but responded to the question on the post-event survey regardless.



The revenue (Adjusted Gross Income) goal for the convention center for this year was \$5.576 million; the unaudited year-end report estimates that number to be \$5.46 million. Going in to this year, Tom and I were certain that this would likely be a “re-set” year on the Adjusted Gross Income front, and while revenues were a little off, we still finished the year very strongly. We had also anticipated an offset of some of our operating expenditures to have come from the Westin parking garage lease fees. At the time the budget was put together, the hotel was anticipated to open in December 2018, and the garage fees then would have kicked in as of May. Instead it opened in March, with the fees not starting until August, and not yet being received.

The operating subsidy for the convention center for this year was \$1.395 million; the unaudited year-end report estimates that number actually to be \$1.081; this savings will result in a return of \$314,000 for the ICC Capital Equipment & Replacement Fund. The ICC came through its annual audit with no issues noted for the 2017-18, and I anticipate that to be the same for this year as well.

The Center was projected to generate 21,126 room nights this year, and achieved a total of 42,138 definite room nights, or approximately 127% of that goal. A considerable portion of this pickup this year came from the series of Jehovah Witness events that took place over the summer; they have notified us they will not be back in 2020 unless further concessions are made to accommodate their business. We have slashed rental rates, provide a \$5 room night rebate, and allow them several considerations that are not typically extended (including allowing attendees to bring in their own food & beverage, among numerous other things), but at some point, the business starts costing us more to sustain. Our teams are already hard at work to re-book the dates they had been holding for 2020 (they had not yet gone to contract).

Convention center marketing initiatives are reflected in the above Destination Marketing performance data. The Convention Center's Facebook followers as of August are up to 12,941, and more than 196,000 people have "checked in" to the center on social media.

Planning Process – 30 Points Total

In establishing the priorities and weightings for this year, you wanted heavy emphasis under Planning Process to be singularly about the Tourism Public Improvement District initiative – Legislation, Formulation, Development, Enrollment and Program.

The key first step was getting the legislation in place; while I had hoped the city's lobbying firm would have been able to carry this as part of their efforts this past session, there were too many far greater priorities on the city's plate to add a diversion like this. Using funds that weren't being used for Mike's position allowed us to hire our own lobbyist to get the Irving legislation done. Separately, an "omnibus" bill was also being pursued and ultimately passed. The omnibus then superseded the Irving-specific (and any of the prior city-specific) bills and went into effect September 1.

We have had a handful of meetings called by the two local hotel associations that have Irving properties as its members – the Hotel Association of North Texas (HANT, who had considerable involvement with the Dallas TPID and still does) and The Hotel Association. Attendance at these has been minimal and many more meetings will be required, primarily as one-on-ones, or in groupings of common ownership groups. The Texas Hotel & Lodging Association is also a piece of the puzzle, providing legislative counsel to all of the Texas TPIDs.

While things are started on this front, they are nowhere near where I'd like them to be. With Mike's departure and the vacant IT position still in play, I've not had the personal bandwidth nor time resource to get everything done I had hoped would be in place by now.

Over the next several months, I have to get those one-on-ones started, and I believe they are almost all going to require follow up one-on-ones. There is not yet a clear consensus on what the TPID assessment might be – whether it is a percentage or a dollar amount per room – much less the actual number. Our hotels have very different needs: the northside airport hotels have different priorities than the southside airport; the non-full service hotels have very different needs and issues than the full service hotels; and the Urban Center hotels have

yet another set of needs. Getting input on the front end in those one-on-ones that allows us to craft solutions that every property sees as a win-win, will be vital to getting to a passing vote next year. The required 60% votes – of the total properties as well as of the total property values – are going to take a lot of time. It will take approximately 24 properties to get to just the property value count. (Frisco, by comparison, has 16 hotels total compared to our 75 and therefore, they are much further ahead in the process than we are.)

I recognize that we will get pushback from some owners because of our stance on the hotel development ordinance. This likely will cause issues with some properties buying in no matter how good a program we can propose.

Time is what's needed most right now, and my priorities in November and December will focus heavily on getting these one-on-ones underway, so that quickly after the start of the new calendar year, we can have consensus on the assessment amount, the shapes of the plan put together and be ready to walk it back through everyone to make sure they – and their owners – are still on board. My timeline is to have the hotel votes done in early spring, and to bring it to the City Council for their authorization in early June, after the May elections, so that we can have its start coincide with our next budget year.

Based on all that, I think we're at best 10% of the way there – the legislation was the first and most time-consuming priority, but there remains so much more to be done.

Even though these next items were not prioritized in the performance priorities and weightings for this year, I would be remiss if I did not keep bringing them up for the longer-term planning radar:

- In 2026, the current hotel tax legislation impacting Irving's allocations and allowing more than 15% to go for the Arts as it relates to tourism will sunset. At that time, the Council will have the opportunity to revise the allocations or rollback the tax rate. A revision of the allocations could also shore up resources for the convention center's ongoing maintenance and operations.
- Based on the projections coming from the City's refinancing of the convention center debt, 2026 also could be the first year that excess HOT funds from the convention center 2% may be available to cover the center's maintenance, once the city has paid itself back from the "internal loan."

Partnerships & Alliances – 5 Points Total

As with the above item, for this year, you particularly identified partnerships with the various Hotel Associations, City Council, Chamber and Legislators for the purposes of the success of the TPID. The City Council approved our initial resolution to pursue the legislation, the legislation was approved and it was our partners at the Chamber and Hotel Associations that helped get it across the line.

In addition to the above-noted hotelier and hotel owner challenges, the other heavy lifting will come once the plan and funding mechanism have been established and the hotels have said yes. Then it becomes time to get it across the City Council finish line. With the passage of the omnibus bill, specific language has been added to the legislation for the expenditure of these funds. They must fall within two statutory categories, outside of administrative expenses:

1. Services related to "advertising and promotion" to increase hotel activity and convention business (e.g., marketing, site visits, familiarization tours, promotion of eligible events); and
2. Services related to "business recruitment and development" to increase hotel activity and convention business (e.g., business incentives {such as our BizDIP program} and sales efforts).

The Irving hoteliers will create a non-profit entity, a Tourism District Management Corporation, to manage and oversee the work of the TPID. That corporation has a Board of Directors, whose voting members are solely composed of hoteliers who have hotels within the District; the hoteliers will select this board, ensuring that the board is representative of the members, reflecting various brands, ownership groups, management companies and independent operators as well as property types. That Board typically executes a contract with the CVB to administer the plans and programming of the TPID. There is typically a contract between the City/CVB and the TPID that outlines the duties, oversight and reporting mechanisms.

Board Facilitation – 5 Points Total

Each chair has a vision for how best the board and its committees can accomplish its priorities and I hope you'll agree my work with you builds on that leadership. We never want to meet for the sake of meeting, and committee meetings that may not have had action items, have been structured to provide valuable content or have not been held. I believe our board meetings remain a "must attend" for several our elected officials.

While this particular category is singularly about the board, certain events that have happened this year have also been a keen reminder that there are no relationships that can be taken for granted. I will continue to need the board's help and commitment with newly elected officials and new board members, no matter how well we think we know them and they know us, to make sure that we are able to take the time to spend in an orientation in whatever setting is most appropriate, and to do everything we can to get any unasked questions out on the table as early in the relationship as possible. We lose one board member this year, four next year, and three the year after. That is a lot of institutional knowledge and political wisdom leaving our boardroom.

Professional Development – 5 Points Total

I have continued to support the staff's development in a wide range of initiatives, and have opened many opportunities up for the taking, for those who wish to stretch further. I remain engaged with a number of industry initiatives: chairing the Certified Destination Management Executive (CDME) Board and serving as faculty for a number of the courses; serving on the Destination Marketing Accreditation Program (DMAP) Board now as its chair-elect, a role I will take on once my service to the CDME Board is concluded; facilitator for Destination NEXT assessments and results workshops; and teaching a number of industry courses at a variety of events throughout the year. Two staff members are on a path to complete their CDME this year, and I expect that once Susan gets her legs under her in terms of industry awareness and knowledge, she'll be a candidate for the program as well.

ICVB PERFORMANCE EVALUATION – EXECUTIVE DIRECTOR

2018-19 EVALUATION CRITERIA – Year-End Report

Priority	Performance Evaluation Criteria	Sub-Category Points Available	Category Points Available	STATUS DATA THROUGH UNAUDITED YE REPORTS
1	<p><u>GENERAL ICVB INITIATIVES</u></p> <p>Sales & Services*</p> <ul style="list-style-type: none"> • <i>Room Nights Actual to Goal – Sliding scale, beginning at 90% of goal</i> • <i>ICVB Customer Service Delivery – Ratings, Issues & Responses</i> <p>Destination Marketing</p> <p>Event solicitation, planning & implementation (Non-ICC events)</p>	15	27.5	<p>2018-19 ROOM NIGHT GOAL: 223,060 Actual: 246,709 - 110.6% YTD ICVB Service Rating: 94.8%</p> <p>4 Adrian Awards; Surveyor awards; Most Exciting Meeting Destination Change from Southwest Showcase; Stella Award – Silver – Best CVB/Southwest; SXSW Debut; Gold Hermes Creative Award – ICVB Website; Top 50 CVENT Destination</p> <p>Booked RCMA, PFA and TSAE for future years</p>
2	<p><u>IRVING CONVENTION CENTER INITIATIVES</u></p> <p>Management Oversight* – Including but not limited to:</p> <ul style="list-style-type: none"> • <i>Contract Administration</i> • <i>Facility Appearance & Physical Condition</i> • <i>ICC Customer Service Delivery – Ratings, Issues & Responses</i> <p>Facility Revenue & Subsidy Performance vs Budget</p> <p>Room Nights Generated</p> <p>ICC Marketing</p>	12.5	27.5	<p>Back entrance signage installed for better customer direction/experience; hotel parking garage operations in place; new carpet on floors 3 & 4</p> <p>YTD Service Rating: 89.7% YTD Revenue: \$5,464,135/Goal \$5,576,319 Subsidy: \$1,080,990/Budget \$1,395,000 YTD Room Nights: 42,138 /Goal 21,126</p> <p>Stella Award – WINNER – Best Convention Center in the Southwest; Passion with Purpose Award – Chef Eduardo Alvarez</p>

3	<p><u>PLANNING PROCESS – STRATEGIC INITIATIVES</u> Tourism Public Improvement District (TPID) Initiative – Legislation, Formulation, Development, Enrollment, Program.</p>		30	<p>Lobby firm engaged to pursue TPID legislation; Irving legislation, and omnibus legislation passed, effective 9/1/19. Preliminary hotel meetings have been held with limited attendance; one-on-ones will begin in earnest in November and December, in conjunction with HANT and THLA.</p>
4	<p><u>PARTNERSHIPS & ALLIANCES</u> Particularly focused on: Hotel Associations, City Council, Chamber and Legislators for the purposes of the success of the TPID</p>		5	<p>Lobby firm engaged to pursue TPID legislation; Irving legislation, and omnibus legislation passed, effective 9/1/19. Preliminary hotel meetings have been held with limited attendance; one-on-ones will begin in earnest in November and December, in conjunction with HANT and THLA</p>
5	<p><u>BOARD FACILITATION – COMMITTEE COORDINATION</u> The Executive Director’s ability to work with the Board as a body and with its members individually; the effectiveness and efficiencies of committees, meetings, etc.</p>		5	<p>Committees engaged, actively working towards strategic plan initiatives, as well as other priorities as identified.</p>
6	<p><u>PROFESSIONAL DEVELOPMENT</u> The Executive Director’s plan and delivery of development opportunities for the staff, as well as for further personal professional growth.</p>		5	<p>Two staff members on path to complete CDME requirements this year; I have taught 3 CDME courses this year and done DestinationNEXT presentations. I continue to chair the CDME Board, and will become the chair of the Accreditation Board in 2020. In both of those roles, I will continue to serve on the international board of directors for Destinations International.</p>
TOTAL			100	

**Criteria includes but is not limited to, nor is there any rating set.*