Visitors Promotion Committee
Meeting via Zoom due to COVID-19
August 19, 2020
MINUTES

In Attendance: Jeff Cunningham, Amy Dickerson, Tara Knuth, Susan Madsen, Roland Morgan, Becky Perrett, Aaron Stitt, Dave Derbin, Nicole Fleck-Tooze, Tammy Ward and guest Tom Lorenz

Absent: Roma Amundson and Michelle Waite

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

Call to Order and Introductions:
Becky Perrett called the meeting to order at 1:32 p.m. and asked Diane Pryor to take roll call. Following roll, Perrett asked the committee members to give an update of where their businesses are in the midst of the COVID-19 pandemic.

Committee Member Business Updates:
Aaron Stitt gave an update saying each week they are slowly growing. They have had 70 rooms per night. Some of that, he said, is in relation to UNL starting back up and parents moving in their children. They see quite a few more rooms on the weekend. They have been stepping up their rates from $129 to $139, $149 and some to $159. Football canceling is a huge blow, he said, and they will see where the future lies with that. His projections don’t look promising. It will be interesting to see. He concluded saying this time seems like the lull between Christmas and New Year’s.

Tara Knuth, from the Children’s Museum, went next saying they are now open four days a week. They are doing good, but now with school open we are sure things will slow down some. They are really trying to push it with advertising and social media to bring people into Lincoln now through Labor Day weekend. She said they are just going day by day and hanging in there.

Jeff Cunningham next addressed the group about the Haymarket area. He said they have been re-evaluating the fall and holiday events. They are not sure if they will be able to have them all this year. The Farmer’s Market only allowed 50% of the vendors, but the crowds continued to be good, all practicing safe distancing and wearing masks. He was surprised that a lot of the vendors chose not to return and just pulled out. Cunningham said they are hoping to be okay by Christmas.

Amy Dickerson updated everyone on the Lancaster Event Center. They are reopened since the end of June. Over the time of the pandemic, they’ve had 150 events canceled. They lost the FMCA and the High School Rodeo, she said. She is focusing on the good news that they are open, though. They have big spaces to use and feel fortunate about that. They continue to work with the health department to make sure they are having events safely, including horse shows, food truck rodeos and even outdoor drive-up concerts - recently showing Garth Brooks and Metallic coming soon. She said meetings are being held there and they did have COVID testing there for a couple months. They’ve had to lay-off 90% of their staff. They are working on trade shows and see about 2/3 of the vendors signing up for the Nebraska Ag Show. She said
for the ag events, farmers come out in droves. Dickerson said they are hoping they don’t have to shut down again.

Susan Madsen announced the Lincoln Marriott Cornhusker Hotel is re-opening tomorrow (August 20, 2020). She said they had approximately 190 associates and had to terminate over 120 of them. They will be working with a staff of 40 during their re-opening. The Miller Time Pub opens at 5 pm with limited seating. Their occupancy is slow, but they are having weddings with one this Friday night and are excited to see how that goes. They need to get the word out that they’re open and available for business again. They had lost their Amtrak and airlines traffic but hope to get some of that back.

Roland Morgan said they have not had to close so far. They are beginning to see an uptick and their weekends are definitely busier. Clients are not as much of the corporate level as they were in the past. They have healthy numbers considering the situation. Morgan said revenues are moving in the right direction. Overall, their rates are getting better, still at $10-$15 lower, and the occupancy is getting better.

Becky Perrett, from Runza, said she still remembers the day they went to drive-thru only; it was Monday, March 16th. They have tried many techniques to coax people out of their homes and continue to work with the county health department. Even though their dining rooms are now open they are still seeing most people in the drive thru. Perrett said they are getting used to the “new normal”, but it is hard to budget and plan.

**Pinnacle Bank Arena Update:**
Tom Lorenz gave an update on the Pinnacle Bank Arena saying their last event was the High School Boys State Basketball Tournament in early March. They limited attendance and instead of the usual 60,000 they only had around 5,000. Since then they’ve only hosted a few events, including the recent high school graduations and the Beach Boys concert at the open-air auditorium at Pinewood Bowl. Lorenz said they did well and had a good response from the health department. He said the football season being cancelled will be devastating. Husker volleyball looked into using the arena for their games because of its size and ability to spread fans out more, but that’s not going to happen now. There are no touring acts or artists out right now either with everything being postponed or re-scheduled. They believe concerts may start up again in April or the end of the summer next year because everyone is being cautious and protective of the artists. They are hoping for events but have furloughed and laid off most of their staff. The upside has been more family time, Lorenz said. Business is tough right now but he said they appreciate everyone’s support and they’re trying to find some events for this fall. Jeff Maul asked him to give details of the numbers they had for the graduations. Lorenz said anywhere from 3,300 – 3,400 with about 500 graduates on the floor. He also said they can do pod seating of 6 – 8 depending on the groups and mask wearing and could fit in up to 6,000 that way. For the Beach Boys concert, they had sold 3,000 tickets but once the pandemic happened, they offered refunds and that dropped their ticket sales down to 1,600. He said 1,500 were there and they all were spread out and felt safe. He said graduation, for one example, 18,000 came through that day. They can hold large events, because they have the use of the screens, the kitchen, restrooms and concessions. They will be having an MMA event on August 29th so will see how that goes, with 47 tables of six on the floor. They still have their liquor license.

Jeff Maul talked a bit next about how to draw people out of their homes again. The CVB has been working on a campaign to get Lincoln people to stay in our hotels. It’s called the Get a Room campaign. They have some funny posts ready to go out on social to push for people to just go to a hotel for a little getaway. Maybe they could go to a downtown restaurant for dinner and the theater for a movie and stay in the hotel
for a night or two. They are thinking of using the keycard options in bars and restaurants for hotel deals. The committee liked the idea and agreed it was catchy and fun. Perrett agreed and said she appreciates the CVB’s creativity and hustle.

Approval of June Minutes:
Perrett asked if there were any questions or changes regarding the June minutes that had been sent out ahead of time in the email on August 7th. With no questions, she asked for a motion to approve the June minutes. Dickerson made a motion to approve the minutes and Cunningham seconded the motion. There being no further discussion, Perrett called for a vote. Cunningham, Dickerson, Knuth, Madsen, Morgan Stitt and Perrett voted yes. Motion carried.

Approval of July Financials:
Ron Kalkwarf presented the financials showing the CVB Profit and Loss statement noting the fiscal year of the CVB is from July 1 through June 30, so this statement is just for the month of July 2020. Total Income was $111,672 which was right on budget. Room Tax – CVB was $111,667 and 1/12 of what we get from the county. Total Expenses totaled $90,714 and Kalkwarf pointed out Net Income was at $20,958 this year. He said that was pretty much in line with the budget and cut and dry. Maul added with July being the first month of their year he is anticipating looking at the fall and winter. Without football and fall athletics, we will lose income for sure. However, with no events, or marketing, advertising or promoting of them, we are holding on okay for now. Maul said in November we will see a different story with our financials. Cunningham moved to accept the financials as presented. The motion was seconded by Madsen. With no further discussion, Perrett called for a vote. Cunningham, Dickerson, Knuth, Madsen, Morgan Stitt and Perrett voted yes. Motion carried.

Directors Report and CVB Update:
Maul gave a VPC director’s report. He said the office has been open at 1128 Lincoln Mall since August 10th with a good plan in place for distancing, deliveries and safety. Staff have the option to work in the office or at home. Last week they had 12 people coming in regularly and he has been working with the staff and believes they and Derek Feyerherm have done a great job! The Visitors Center opened on August 5th, Monday – Friday, 9 am to 1 pm. Tracie Simpson has shifted her time to be there. The wanted to have the Visitors Center open in time for the families arriving for college. Through this all, Zoom meetings continue and keep staff connected. Maul talked next about the marketing of Lincoln through different outlets. Social media has been such a value and he’s noticed good “hits” and “clicks” from May – July over last year. They had a great hit with our windshield bingo; people loved driving around and collecting everything needed to fill out their cards. He went on to say thank you to those on the city council, the elected officials and everyone in government. They are all doing their part and thank you for wearing masks and helping us beat COVID, Maul said. They continue to fight for the CARES ACT for 501 C (6)’s. There are great activities going on, he said, with the Cornhusker State Games in July with over 6,000 athletes competing. Also, Metallica will be a virtual concert at the Event Center. They have a growing number of attractions opening up, with UNL, wedding receptions and small meetings; they are opening and happening. People are wearing masks and distancing and for the most part, it’s working. The tax collections over the last three months compared to 2019 are devastating, even though they knew they’d be down. We are all in this together, Maul said, but last week was hard! The Big Ten’s decision to delay the season to the spring was a huge hit to the hospitality industry and everyone is wanting to know what he thinks about it. They are worried. They are all trying to figure out a way to survive. They are trying to figure out a way to “play football” without football. Whether that’s re-playing the 1995 or 1997 season, asking everyone to wear red on Fridays and Saturdays, possibly tailgate with your neighbors or still come
downtown and hang out. They are wanting to get the marching band down on P street and keep the Husker feeling of gameday going. Maul told everyone about the Get A Room campaign they are getting going to bring people downtown for a “staycation” in our local hotels. They’ve come up with some funny slogans and social posts to market a night out for dinner, a movie and a night in one of our own hotels. It would be fun to get out and do something, but not too far away from home. He also touched on the USA BMX Cornhusker Nationals coming to Lincoln on August 21-23 with 800 riders and their families from around 10 states. He gave kudos to Derek Bombeck and Derek Feyerherm for their work on that event. Finally, Jeff said the marketing being done by his team has been amazing and everyone is doing a great job. We have to be optimistic and can’t give up. The sales staff is working super hard, Maul said.

Derek Feyerherm gave the sales report saying things are not as dire as he originally imagined. They had 74 sales leads for 55,229 room nights that have been bid out. Since COVID-19 began, they had 16 sales leads for about 16,530 room nights. They had 101 leads for 52,843 room nights last year at this time. For the year, they are looking at 55 booked events for 35,911 room nights. The number of events is down but room nights are up. They were doing great in January, February and March then COVID happened and things really slowed down. They are still getting sales leads for 2021, 2022 and 2023. They are staying optimistic. They have 24 events lost for 19,028 room nights for the year. Nine leads for 12,553 room nights were lost due to COVID-19. They may get some of them back as some of the events moved to 2021. 95 events have cancelled outright and unfortunately that number is rising. They are having frequent communication with their contacts regarding events booked in fall 2020 to check the status. They just keep calling and checking back and with the number of COVID cases rising, the planners are nervous. Kelsey McGreer is working with meeting planners with marketing materials about our Lincoln venues and safety measures in place. They have 22 pending sales leads for 26,839 room nights and are waiting for decisions. They had to shelf some proposals until a later date. As event planners are laid off and new people are filling those roles, They have had to create new relationships and will work at keeping those going. Feyerherm went on to give a sales update on tradeshows next. Derek Bombeck is attending the Sports ETA Tradeshows which will be virtual. He met with 14 sports rights holders and sat in on five overview meetings with national governing bodies. He has access to RFPs from the organizations he couldn’t meet with and will be seeing what Lincoln can bid on. The Select Traveler Tradeshows was moved three times and is now going to be held this week in French Lick, IN. Kelsey Meyer did a virtual interview to be shared with the group of tour organizers and will receive a list of the planners. Meyer plans to do follow-up with about 100 planners and contacts after the show. The TEAM Virtual Tradeshows is scheduled for October 19-22. We will attend virtual appointments as part of Sports Nebraska. They are receiving funding through a Nebraska State Tourism Marketing Grant and are getting 1-on-1 exposure and promoting Nebraska. The latest trend in the sports industry is e-gaming. The E-sports Travel Summit will take place on November 18-20. Currently it is an in-person event in Texas but will likely go virtual. Feyerherm closed saying they are looking at potential state funding for sports and events. He said Sen. McDonnell asked Josh Todd with the Omaha Sports Commission to pull together a group to look at what we can do to make Nebraska more competitive. Feyerherm along with Sports Nebraska and the Nebraska Tourism Commission met with Sen. McDonnell and his staff to begin conversations. In the meantime, they want to create an interim committee to see what that mechanism looks like. They are looking at the structure and exploring sports and events - they will not necessarily be competitive events but those that will bring in a lot of people and revenue. If they are going to receive state funds, they can’t be just for sports events; they need to be broader. Last he said, Sports Nebraska has hired an intern and he will help market the organization.

**New Business:**
In new business, Perrett said we have a grant request from Lincoln Calling. Back in February, they came in
with a grant request for $50,000. The VPC approved them for $20,000 for marketing of their events and encouraged them to come back in 2021 for an additional $25,000 grant. The county approved it and since then they have not signed the contract because up until about a month ago, they weren’t sure if they were going to have the event at all. They are now doing it virtually and are now seeking their funding for this $25,000. They are wondering how this will put heads in beds because that’s what these grants are for. The VPC did commit some money to them and want to hear everyone’s thoughts on the situation. Maul added this wasn’t something that we went out and checked on but Spencer Munson reached out to the county and us. He wondered if he had access to the $50,000. Maul told him it would be $25,000 if at all. They are having the event 100% virtual and it will showcase the Bourbon Theater. It won’t be in the originally planned capacity obviously. Maul said the VPC isn’t here to say what’s right or wrong but looking for recommendations. Munson reached out to Commissioner Yokoum and she contacted our committee. Madsen wondered if he’d need the whole $25,000 to promote a virtual event or could we push it to 2021 pending an in-person event. Maul said when someone is allocated a $25,000 grant, it needs to be used within that budget year, so he’s not sure if that’s something we can do. Maul said we have suspended the grant program for the foreseeable future. Perrett said they were planning on a lot of digital advertising and a substantial part of marketing would be needed for a virtual event. They asked him if he would need all $25,000 and he said, yes. Stitt asked if we committed to the $25,000. Maul said we granted him $25,000 for 2020 and asked him to come back in 2021 for the additional $25,000. Spencer did ask if there’s a way we can give him $12,500 for 2021 and $12,500 for 2022. Maul pulled him back and said let’s first resolve the $25,000 in 2020. So, there is nothing committed for 2021. Stitt asked if there is anything to them wanting the funds for an event that is going to take place differently than it was presented to us. Is that a break in contract? Derbin said we don’t even have a contract right now. He really hasn’t met the terms; however, he is asking if we can amend the project in some way that would allow some payout. It still meets the basic idea on promotion but it doesn’t meet some of the normal things that go into the evaluation process that show how it helps to replenish and add to our funds going forward. We had some discussions with him and some want to help him in some capacity but since it’s going to be a virtual event, we aren’t sure we can give him the whole $25,000. Stitt recommended that he presents for the grant as a virtual event, or if that wouldn’t work, have him use some of the money in 2020 and save some back for 2021 in hopes they can have a live event then. Perrett said since we’ve suspended the grant program until the end of the year, she’s not sure if we could do a re-presentation. Madsen wants to know what’s in it for Spencer to hold a virtual Lincoln Calling. Maul said he did ask about his balance sheet and he doesn’t know right now. He’s seeking this funding and a bridge loan with the Lincoln Community Foundation and a couple other sponsors. He has rent and digital platforms costs. We don’t really know. We think he wants to announce his acts this Friday and wants to lock in this money to fund it. We are really in a time crunch on how to proceed. In his old grant he had $29,000 in marketing costs in several other cities and states. One would think, with a virtual event, his marketing costs would be significantly less. Wouldn’t you use free media? Perrett ran through each item in his original budget showing what the money would be spent on. Knuth said a big piece of that was designing website. Madsen questioned if he’s signed contracts with his acts and needs the money for that. Knuth asked if we be required to have receipts for the marketing and advertising so he’s not spending it on his acts. Maul agreed and asked Derbin for affirmation. Derbin said according to Munson’s original presentation, he outlined it being for marketing and we could ask for receipts backing up those expenses. The group agreed with that tactic. Perrett summarized saying we’ll give you the grant for $25,000. You need to sign the contract and after the event, Spencer comes back with receipts for $25,000 and only $5,000 is for promotion. At that point, we would only give the $5,000. Derbin agreed with that. Perrett said she’d like to grant the money to him and make sure it’s just for promotion and he would need to present promotion receipts to determine what he actually is able to collect. Maul said its just a process piece between Spencer and Dave at this point. It doesn’t go back to the county
at all, he doesn’t think. Derbin said we need to ask for an additional addendum to add to this contract to show what the promotion cost would be for a virtual event and then we just see where we’re at and take it to the Board from there. Perrett asked when the event is and Maul said it is in October. There were no other thoughts or questions.

Adjourn:
Perrett thanked everyone for their time, thoughts and attention and adjourned the meeting at 2:56 p.m.