

**Visitors Promotion Committee
February 7, 2018
MINUTES**

In attendance: Lynne Ireland, Dave Wheaton, Amy Dickerson, Jeff Cunningham, Becky Perrett, Carl Eskridge, Kerry Eagan and Nicole Fleck-Tooze

Staff attending: Derek Feyherm, Jeff Maul, Ron Kalkwarf and Justine Petsch

Guests: Matt Olberding

Call to Order and Introductions:

Lynne Ireland called the meeting to order at 1:38 p.m. and introductions were made.

Haymarket Park Grant Request:

Charlie Meyer, president of Lincoln Saltdogs presented the Haymarket Park grant request. Meyer stated the request is for an electronic marquee sign for Haymarket Park. The complex was built in 2001 as a partnership between the city of Lincoln, NEBCO, and University of Nebraska-Lincoln. Meyer said this public/private partnership spurred economic development in the Haymarket district. The city of Lincoln owns the stadium and NEBCO is currently 18 years into a 35 year lease of the facility. There are numerous events at Haymarket Park including UNL Baseball and Softball, Lincoln Saltdogs and a variety of community events. The largest event held there, in partnership with the CVB, was the total solar eclipse where the Saltdogs played with an 'eclipse delay'. Additionally there have been concerts and non-profit events held there making it a multipurpose tourism location. Meyer also stated that NSAA State Baseball and GPAC conference tournaments have been held there. The parking lots are used for Husker football games, UNL basketball game and for PBA events. Currently 12,000 vehicles drive down Sun Valley Boulevard daily, for a total of 4.5 million per year. Total attendance for Haymarket Park events are between 400,000-450,000 per year. The electronic sign will promote upcoming events to those who make the drive on Sun Valley Blvd. Meyer pointed out that although the grant is under Lincoln Pro Baseball, the facility itself is publicly owned by the city of Lincoln.

Meyer asked if there were questions. Fleck-Tooze asked if the sign was in the right-of-way. Meyer responded that he is not 100% sure and that will be the next step to identify as it will go along a highway, but that they can adjust the location with still having access to power. Wheaton pointed out that there was only one bid and asked if they intended to get more. Meyer said they currently get all of their signage through Nebraska Sign but could get additional bids. Cunningham asked if there was intent to sell advertising on the digital sign. They will look into this as an opportunity for area businesses according to Meyer, noting that organizations such as the arena, NSAA, Nebraska High School Sports Hall of Fame and several others could benefit from it. Maul asked if there is consideration for other revenue sources to help pay for the sign outside of the request to the VPC. Meyer stated they are open to looking at additional revenue sources. Dickerson questioned if Saltdogs/Huskers operational funds could also be used. Meyer stated there is the potential for this but that it could come down to timing as UNL and NEBCO have different fiscal periods with UNL's beginning on July 1, and NEBCO on a calendar year. He referred to the signage that Lancaster Event Center has and said there is the possibility of receiving additional funding through advertising on the sign. Eskridge asked what the future plan was for relocating Sun Valley Boulevard/ 1st Street.

Meyer said it all depends on CIP funding but that the sign could be moved if 1st Street is straightened out. Dickerson asked if Meyer believed the sign would generate more overnight hotel stays. Meyer said he believed it would and because of Haymarket Park's proximity to downtown hotels, the increased awareness of events would drive people to make an overnight stay out of their time in Lincoln. Eagan questioned who would own the sign. Meyer said that the city would own the sign and that the purchase of it by Lincoln Pro Baseball would be seen as a property improvement as part of the lease. Eagan followed up by asking if sales tax would be paid on the purchase. Meyer said that NEBCO/Lincoln Pro Baseball is subject to sales tax and would pay it. Fleck Tooze asked if the lease with the city would need to be modified to add an electronic sign. Meyer said there is already a sign district established and this would need to be added to it but did not see an issue based on past signs they have explored putting in.

With no further questions, Meyer was dismissed. Ireland referred to a handout that laid out the current improvement fund balance including current commitments. Eagan went over the handout and said that 17 projects are committed. The cash balance is thin according to Eagan, but he pointed out that annually \$100,000 is earmarked for the mini-grants which rarely gets used up and also noted that the full amount put aside for bid fees often does not get fully used. Maul asked for clarification that the fund balance as presented on the handout factored in the moneys allocated for bid fees and mini-grants and Eagan confirmed it did. Ireland asked Eagan if he felt the request heard for Haymarket Park would be tight in the budget. Eagan said the balance is not as tight as previously thought due to the improvement fund collections coming in above projection. Ireland questioned the ability to handle larger requests down the road should one come in. Eagan said there is currently \$1.7 million available, and this should increase based on current lodging tax receipts. Dickerson noted that the \$1.7 million figure does not reflect future fiscal years where there may be a surplus in the mini-grant and bid fee allocations. Eagan noted there is a balance in the promotion fund which could be used for bid fees as needed but reminded the VPC that these funds cannot be used for improvement. Maul stated that the promotion fund is the CVB operational budget and any surplus stays with the county. Maul also commented that the CVB does not ask for the full amount but would like to have the ability to dip into the additional funds if there is a down year in lodging tax collections. Dickerson asked what the current balance of the promotion fund was. Eagan stated the balance is approximately \$1.5 million. Dickerson followed-up by asking what the outcome was of the attractions survey. Maul stated that the response was slow, and another round of survey reminders will go out soon, with phone calls coming after that asking for potential projects through 2023. Ireland asked Eagan whether he was comfortable with the current fund balance or questioned whether the VPC should hold back on hearing additional requests to let the fund balance grow. Eagan stated he did not want to interfere with VPC decisions and any recommendation regarding that would need to be made by the VPC but did say there were enough funds in the balance to cover the Haymarket Park grant request. Perrett said she felt there was precedence by the VPC in providing funds for signage. Maul said there was and mentioned previous grants to the Lied Center, USA Roller Sports, and Lincoln Children's Zoo. Perrett asked if the grant could be awarded based on a private organization leasing the facility. Maul said he spoke with Eagan regarding this and the request is eligible due to the city of Lincoln owning the facility. Ireland asked Dickerson if she was satisfied with Meyer's answer to whether the sign could help drive hotel room nights. Dickerson said the sign would have some affect but felt there were other funds available to help pay for the sign, referring to the grant application where not additional fund sources were named. Dickerson did not feel that the full amount should be covered by the improvement fund. Eskridge said that Meyer did not mention the John Breslow Ice Hockey Center that could also benefit as they share the same entrance off Sun Valley Blvd. Petsch stated she

though the sign was small in dimension for the location it was serving and was surprised that there were not other partnerships noted where advertising could be sold as a revenue to help assist with this. Ireland asked if there was a motion. Wheaton stated he wants to see that the sign is purchased with sales tax exemption as it would reduce the cost by \$5,000. Petsch questioned whether this would be possible with NEBCO purchasing it. Eagan thinks the funds needs to come from the city of Lincoln. Wheaton expressed concern that only one bid was solicited for this. Fleck-Tooze also would like the individual who handles the lease for the city to clarify how the sales tax can be handled. Wheaton said he is inclined to approve the grant request with stipulations. Dickerson made a motion to approve the Haymarket Park grant request in the amount of \$15,000 with stipulations that the city of Lincoln owns and purchases the sign with no sales tax to be paid and encourages NEBCO to seek out other funding sources to pay the remainder of the sign. Ireland asked for a second. Perrett said she felt that the VPC should provide 1/3 of the funding to equal what would be the city's share, with UNL and NEBCO providing the other 2/3. Ireland asked if Becky wanted to amend the motion. Perrett said she would amend the motion on the floor and to approve the Haymarket Park grant request in the amount of \$24,000 with stipulations that the city of Lincoln owns and purchases the sign with no sales tax to be paid and encourages NEBCO to seek out other funding sources to pay the remainder of the sign. Cunningham seconded the motion. Ireland called for discussion. Wheaton questioned if UNL could provide funds on short notice due to their July 1st fiscal. Eskridge asked if this type of funding request would come from the athletic fund. Maul stated he was unsure on both questions. With no further discussion, Ireland called for a vote. Ireland, Dickerson, Wheaton, Perrett and Cunningham voted yes. Madsen and Roland were absent. Motion carried.

Approval of November Minutes:

Ireland asked if there were any corrections to the minutes presented. Feyerherm noted there was a misspelling of Kalkwarf's name in the third sentence of the financial approvals. With no further correction, Dickerson moved to approve the November minutes. Perrett seconded. Ireland called for a vote. Ireland, Dickerson, Wheaton, Perrett and Cunningham voted yes. Madsen and Roland were absent. Motion carried.

Approval of January Financials:

Kalkwarf presented the financials with the profit and loss statement covering July 2017 through January 2018. Income was \$1,219,116 which was over budget due to Visitors Guide advertising sales coming in high than projected. Expenses totaled \$1,250,789 and pointed out overage in event promotion, noting this was due to the costs associated with the NE 150 celebration held on Centennial Mall. Total net loss of (\$31,673) which is under projected loss of (\$34,954). Maul noted the NE 150 celebration was a joint partnership with the city of Lincoln. Wheaton moved to accept the financial as presented. The motion was seconded by Cunningham. With no further discussion Ireland called for a vote. Ireland, Dickerson, Wheaton, Perrett and Cunningham voted yes. Madsen and Roland were absent. Motion carried.

Directors Report:

Maul gave a 2017 wrap-up reminding the VPC that Derek Bombeck received his CSEE certification from NASC which helps with relationships in the sports market. There was success in recruiting events under the USOC umbrella including the 2017 USA Wrestling World Team Trials and the 2018 FIVB World Volleyball league. Maul also noted the successful awarding of the National High School Rodeo Finals to the Lancaster Event Center along with record breaking numbers due to the total solar eclipse including record website visits, visitors center traffic and lodging tax collection.

He noted his appreciating for the work of Charlie Meyer and the Saltdogs in hosting the game and viewing party at Haymarket Park. Maul said there were record lodging tax collections in February, March, August and October. The Lincoln Craft Beer tour was successful with another version coming in 2018. The CVB continued to redesign and improve its website and sales marketing materials in 2017 as well. Maul noted there was continued room night growth by the sales team in 2017. The 2018 Visitors Guide is out with 70,000 copies printed. Maul stated, as previously discussed, that the 2018-23 attraction survey was ongoing. The Visitors Center at 7th & P saw increased visitors with 9,984, up from 7,897 in 2016; increased phone calls of 1,585 over 1,364 previously and noted upcoming simple changes to the layout of the space. Maul announced the arrival of a five foot Abe Lincoln bobblehead at the Visitors Center with a ribbon cutting to occur on February 12th and 1:30pm. There will be a social media campaign around the bobblehead and acknowledge the attention Fargo, ND received after it installed a chipper shredder based off the movie 'Fargo.' Maul stated he serves on the Nebraska Tourism Marketing Committee and acknowledge John Ricks, the new Nebraska Tourism Commission executive director. USA Roller Sports has a new executive director, Eric Steele, who Maul and Feyerherm met with. Maul played the new Lincoln CVB tourism video produced through a grant from the Nebraska Tourism Commission. New hotel developments were reviewed by Maul and he noted the new Midwestern African Museum of Art in Antelope Valley. Maul stated that he testified against an Appropriations Committee bill in the Unicameral that would cut \$1 million from the State Tourism Commission budget. He noted that the current budget of \$4 million already is on the lower end of states nationwide and a 25% cut would be drastic. Maul also testified in support of LB 739 which is a redefinition of the Sports Arena Financing Act that would affect sports complexes that are to be constructed or redeveloped. This bill is important as youth sports tourism represents \$15 billion annually with 55% growth since 2010. Two indoor facilities are being developed that each will include approximately eight basketball courts that could be converted to up to 16 volleyball courts. These are being developed by Speedway Village and Manzitto Bros.

Feyerherm reviewed the 2017 sales numbers. There were 202 sales leads and proposals issued for 86,702 room nights bid out which is a four-year high for the CVB. The CVB sales team booked 120 events for 69,273 room nights, the third best year ever. There were significant increases in the religious and sports market. Feyerherm noted that the lost business rate was the lowest in nine years. Feyerherm then reviewed 2018, year-to-date numbers which include 28 sales leads for 45,865 room nights, of which 95% was regional/national business. This high percentage rate was partially due to Sports Car Club of America extending its contract with the Lincoln Airport Authority through 2022. One additional proposal has been submitted for consideration and there are 41 pending sales leads awaiting decision for 48,093 hotel room nights. A total of eleven events have been booked for \$3,816 room nights of which 15% were regional/national business and 51% was new business. Feyerherm stated the regional/national percentage will increase substantially as most business contract so far was statewide business. Feyerherm said there is an increased focus of the sales team to find events for 2019 and the total hotel room night goal for the CVB in 2018 is 85,000. There will also be increased efforts to further growth in the religious and group tour markets. This growth will be focused through new tradeshow and a new advertising campaign. Feyerherm reviewed upcoming tradeshow and noted that Kelsey Meyer recently returned from the American Bus Association Marketplace in Charlotte, NC where she assisted Omaha in promoting the 2020 show which will be held at CenturyLink Center. There will be a concentrated effort to bring these motor coach operators to Lincoln which they are here for that show. Feyerherm said Rachel Martin returned from the Religious Conference Management Association Emerge Conference which was hosted in Omaha. An

overview of the Sports Nebraska Marketing Coalition was given by Feyerherm who stated there are eleven members and the coalition received a Nebraska Tourism Commission marketing grant that will assist with early promotion of this statewide effort. Feyerherm said Kelsey Meyer was working with the Nebraska Tourism Commission and the southeast Nebraska CVB partners for a fam tour to be held April 2-6, with tour operators in Lincoln on April 3-4. Planning for the Professional Outdoor Media Association Annual Convention is underway with the event being held in Lincoln in June. The CVB has been working with the Nebraska Game and Parks Commission and Nebraska Tourism Commission on pre and post tours of the state for these media members.

New Business:

Ireland asked if there was new business. Dickerson asked if the zoo expansion was on track for 2019. Maul said it was.

Adjourn: There being no further discussion Ireland asked for a motion to adjourn the meeting. Perrett made the motion to adjourn and Wheaton seconded the motion. Ireland called for a vote. Ireland, Dickerson, Wheaton, Perrett and Cunningham voted yes. Madsen and Roland were absent. Motion carried. The meeting was adjourned at 2:40 p.m.