

**Visitors Promotion Committee**  
**June 1, 2017**  
**MINUTES**

In attendance: Lynne Ireland, Roland Morgan, Colette Wear, Amy Dickerson, Kerry Eagan, Dave Wheaton, Jeff Cunningham and Carl Eskridge

Staff attending: Derek Feyherm, Jeff Maul, Kyle Fischer and Kathy Dvorak

Guests: Tom Lorenz, JJ Yost, Jerry Shorney, Zach Hammack

Call to Order and Introductions: Lynne Ireland called the meeting to order at 1:05 p.m. welcomed Councilman Carl Eskridge and introductions were made.

Pinewood Bowl Grant Request: Tom Lorenz, JJ Yost and Jerry Shorney were present. Yost referred to a PowerPoint where the construction cost estimates were put into logical groupings aligning with the master plan. Yost reminded that this is just a preliminary look and until funding is known and a design professional is on board these figures may get shuffled. Yost also reminded everyone these estimates are from a 2015 design and numbers may change. Maul stated discussion was held on whether or not the Visitors Improvement Fund could support a large request such as this and asked what is needed now or is it an all or nothing project. Yost said it was not an all or nothing project and it could be completed in phases and referred to the color coded groupings and stated if needed it could be broken down more and timeline stretched; but some efficiencies would be lost. The construction season is also concert season and timing is a big issue, but the basic answer is no – it's not an all or nothing project. Total request is for \$1.8M over four years; the orange category is the priority items for \$955,000; blue and green categories do not total correctly, but the overall total is correct. Maul stated that piecing it out may be best in order to let the fund build. Fischer asked what the 2018 season looked like and Lorenz stated that the 2018 concert season has not yet been determined, but roughly the same. Lorenz stated they turned down a couple of acts for October, 2017 because of construction. Yost stated the backstage storage building will be started this fall and the design work is currently being bid. Lorenz stated the last show will be September 22; however, that show has not yet been announced. Fischer asked if they were looking at an October start. Eskridge asked if there were any other sources of revenue. Yost stated-honestly – no. Lincoln Cares and SMG currently provide funding. Ireland asked if there were any other questions. Wear asked if any type of fundraiser could be done at Pinewood Bowl such as a free concert. Lorenz stated that there is no such thing as a free concert; even if you could get someone to draw a large enough crowd at a discount or free, there are ancillary costs associated with concerts. Shorney stated that Pinewood Bowl Inc. struggles a little bit with donations, but was able to give money to lower the mixing station. Eskridge asked what the capacity was and Lorenz stated 4,700 seats with a total of 5,500 to include standing room. The biggest difficulty is parking cars which limits future expansion of Pinewood Bowl. Ireland referred to one of the presentation sheets specifically the other committed dollars that would answer Eskridge's earlier question. Wheaton asked if there was a rental fee and how often is that negotiated. Lorenz stated \$5,000 is put in the budget, but paid \$6,250 the first year. Maul asked if there was a future in Pinewood Bowl doing other events or for other uses. Shorney stated national organizations that hold events such as walks have requested to use it, as well as weddings. Lorenz stated they have been approached by Yogafest which is a multi-day event so there are other opportunities. Ireland asked if there were any other questions and thanked them for the additional information. Ireland asked Eagan to give a thumbnail reminder of what a project like this

would do to balance of the improvement fund. Eagan stated as Dennis Meyer indicated at the previous meeting, it will be tight in a couple of years, but can be done. If something else comes along it would be difficult to consider. Although monies for ten \$10,000 grants has been budgeted the committee never give away ten; receipts are always more than budgeted and Meyer did not calculate for additional revenue. There is sufficient funding, but a delay for a year or two might be better. Ireland stated we are looking at a substantial obligation over four years. Eagan stated it was originally three years and went to \$450,000/4 years which would be the new commitment now. Ireland asked if anyone had more questions and suggested the decision would be dependent on how comfortable the committee was with restricted funds moving forward. Maul handed out the improvement fund balances to committee members. Wear asked if the totals included what we approved for the Lied Center at the previous meeting and Maul said no. Feyerherm stated the Lied project was \$175,000 over a two-year period. Ireland stated she got the sense since no one was making a motion there was hesitancy. Wear referred to the orange box and stated this is where the major funding request lies. Wheaton stated he was concerned that Pinewood Bowl won't call more bigger/better acts as there is already a better venue in town with the Pinnacle Bank Arena and that a venue holding 4,700 – 5,500 would draw more local crowds who would not be staying in hotels. Wheaton also said he'd rather put the money into ballfields. Wear asked why they didn't fill out the grant application. Cunningham agreed that the shiny new house is what brings in extra people. Ireland asked if there was any interest in partial funding stating that as an option. Wheaton asked if providing funding the items in orange including preparing site for parking, construction new performer's building and paving the back loading plaza or half of their requested funding is something they could move forward on or will it delay the overall project. Maul stated someone needs to go forward and make a motion, keeping in mind the County Board has the final decision. Dickerson stated the unfunded number in the top box is \$955,000 and also stated interest rates are low right now which could allow them to get up-front funding. Dickerson made a motion to fund \$955,000 over four years to fund items C, D, E.. Wear seconded. Ireland asked if there was further discussion. Wheaton asked the question if the VPC were willing to fund the other parts of the project at any other time – can they come back? Maul stated if revenue was high enough the committee could entertain paying for more. Eagan said there are two parts – first the County Board could decide to fund more and second, they could come back. Morgan stated that the Performers Building is a large expenditure. Wheaton stated they really want that building by next year and like Dickerson said – they could get funding. Morgan questioned whether the project would need updated cost estimates as it has been two years. Eagan stated that the numbers are probably legitimate. Wheaton stated it is up to them to figure out current costs. Ireland asked do we have a revised motion and a second or do we not amend the original motion? Wheaton said no and Wear asked what if we pledged different amounts each year to ease the financial stress on the budget. Wheaton suggested paying a higher payment up front and smaller amounts in subsequent years. Wear said that suggestion could be done or to do it over three years. Ireland asked for a revised motion. Dickerson moved to approve improvements to Pinewood Bowl in the amounts of \$505,000 for FY 2017, \$150,000 per year FY 2018, FY 2019 and FY 2020. Wear seconded the motion. Roll call vote: Wheaton – Yes; Ireland – Yes; Cunningham – Yes; Wear – Yes; Morgan – Yes and Dickerson – Yes. Motion carried unanimously.

Grant Guideline Review: Ireland reported that she, Maul and Eagan met informally to review the Lancaster County Visitors Improvement Grant Guidelines as presented here and will work down the document point to point. Maul stated the revisions highlighted in yellow reflect the suggestions everyone has given over the last six months. Maul also stated that he, Eagan and Ireland worked on it document in yellow and the document with red shaded areas are the additional revisions the City wants. Ireland started with 1.b. 'For major grant applications that exceed \$10,000 annually and that are part of

a multi-year contract, you cannot return for the same project or facility, until after the multi-year payout has been complete.’ Maul asked if we really want to say they can’t come back before their contract period is up. Wheaton added using today as an example thinks yes a definite timeline needs to be in place to be fiscally responsible. If new guideline language is used it would preclude Parks & Rec from coming back for more money in the case of Pinewood Bowl or preclude them from requesting multiple grants at the same time. Ireland stated if there is no other discussion she is hearing 1.b. is appropriate as written. Moving on to item 2, the word improvement is added and initial review is defined. Dickerson suggested the word “Board” is added after County and Ireland asked for the word “their” is replaced by “the applicant”. The purpose of this section is to be sure everyone completes the application. Eagan asked if there should be a separation between the \$10,000 requests and the larger grant requests – keep the \$10K process separate? It was determined the processes shouldn’t be mixed. Dickerson asked if notification to the County Board was the first step. Maul stated it is a process step and Eagan asked if the language needs to be beefed up and Maul suggested underlining ‘completed grant application’. It was determined to accept as suggested. Ireland referred to 4.a. and everyone agreed it was ok. 5.f. was then discussed regarding the definition of structural component. Wheaton stated the IRS definition does not consider it a capital expense. Fleck-Tooze wants to delete this paragraph. Maul asked if anyone had a problem with the proposed addition of the IRS definition and reminded that this language is a recommendation by the Nebraska Tourism Commission for best practices. Wear stated no that it should be added and Dickerson stated she was concerned about whether past projects would have been denied due to this new language. Feyerherm gave the example of the Boosalis Trail as an expansion, not general maintenance or replacement. It was determined to accept as presented. Ireland moved to 9. Regarding grant program schedule which states minor grant review (\$10,000 or less) will be held in May and November and major grant review will be held in February and August which makes the meetings more defined. City was asking to delete deadlines for large grant reviews to give more flexibility for big capital campaigns. Wheaton stated he did not agree and Eagan stated it’s nice to know of projects in advance. Maul stated people need to do advance scheduling. Dickerson asked would it mean having to say no to things that come out of the blue. Wheaton added like USA Volleyball trials? Eagan stated those requests come out of the promotional fund, not the improvement fund. All were good with this revision. Item 10 was next discussed and it was determined the first sentence should read: Minor and major grant awards will each be made twice yearly unless determined otherwise by the Visitors Promotion Committee and/or the Lancaster County Board of Commissioners. The last sentence was removed as Eagan stated that language does not apply here and should be moved to 4.d. All were in agreement with the proposed changes for item 11. Item 12 is a housekeeping matter related to allocation of funds. Maul asked if #12 was necessary. The term encumbered funds was discussed and suggested the word be changed to expended; Eagan stated he will talk to Meyer about encumbered funds. Ireland asked if Eagan was saying item12 could be deleted and Eagan said yes. Due to the removal of item 12, the numbering would need to be changed throughout the guidelines. The new item 12 was discussed with the suggestion by Dickerson to add “s” to budget in the first line and in the letter g. to change the word from Private to ‘Any’ as recommended by the city to include governmental contributions. Agreed. Item13 (old 14) was discussed and said “unless otherwise agreed in grant contract” however, that does not allow for multi-year contracts. Eagan stated it can be written in the contract when there are phases. The city’s recommendation of adding ‘Unless otherwise agreed in grant contract,...’ This recommendation was agreed. Item14 was discussed and Maul stated Perrett had asked if visual evidence should be provided in this wording and Eagan stated No; Maul stated there would be problems enforcing it. Ireland asked if there were any other suggestions needing to be made to the grant request form. Item 2 was again discussed and it was determined that the following sentence be added “All grants major or minor must complete the grant application.” Ireland then asked if there

are no other concerns she would entertain a motion to empower Maul and Eagan to implement suggestions as determined and present to the County Board. Dickerson asked if the multipliers on the grant application were going up and Maul stated these are new numbers and are looked at every year. Ireland stated she still needed a motion. Morgan asked if a multiplier should be added which directly shows how much lodging tax is returned to the fund and whether an average rate of \$100/ hotel room night could be used. Feyerherm stated 2.04% would need to be used in that case to reflect the arena occupancy fee as well. Dickerson asked of the total economic impact, how much is put back in lodging tax fund. Wheaton asked what makes up the \$375 and Maul said all and these figures come from Dr. Thompson's office. Wheaton stated he thought the multiplier is exaggerated. Maul stated it is average for our market. Dickerson said this figuring more than one person to a room. Maul to Morgan we can get with the Partnership for Economic Development or the State to get what the lodging impact is and can add it at some point. Wheaton stated it was not necessary on the grant application. Ireland asked for a motion again. Cunningham made the motion to empower Maul and Eagan to implement suggestions as determined and present the revised grant guidelines to the County Board. Wheaton seconded. Roll call vote: Wheaton – Yes; Cunningham – Yes; Ireland – Yes; Wear – Yes; Morgan – Yes and Dickerson – Yes. Motion carried unanimously.

VPC Committee Re-Appointment: Ireland stated that Wear's term on the VPC Board is up and Wear has agreed to be reappointed for another term ending in June 2021 and asked for a motion for this reappointment. Wheaton made the motion to reappoint Wear for another four-year term on the VPC Board and it was seconded by Dickerson. Roll call vote: Wheaton – Yes; Cunningham – Yes; Ireland – Yes; Wear – Yes; Morgan – Yes and Dickerson – Yes. Motion carried unanimously.

Adjourn: Being no further business, Ireland made a motion to adjourn. The motion was seconded by Cunningham. Roll call vote: Wheaton – Yes; Cunningham – Yes; Ireland – Yes; Wear – Yes; Morgan – Yes; and Dickerson – Yes. Motion passed unanimously. Meeting adjourned at 2:26 pm