

Visitors Promotion Committee
February 19, 2020
MINUTES

In Attendance: Jeff Cunningham, Tara Knuth, Susan Madsen, Becky Perrett, Aaron Stitt, Roma Amundson, Kerry Eagan, Nicole Fleck-Tooze, Tammy Ward and Michelle Waite

Absent: Amy Dickerson, Roland Morgan, Dennis Meyer and Denise Pearce

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

Guests Attending: Shannon Claire, Michelle Zlomke, Lindsay Bartlett, Chad Hansen, Bob Grundman and Jeremy Williams

Call to Order and Introductions:

Becky Perrett called the meeting to order at 1:32 p.m. beginning by reminding everyone to keep to the time limits and be considerate of everyone's time. Following introductions, Kerry Eagan gave an update on the VPC Fund. He pointed out the Estimated Revenue of \$770,000 and Ending Balance of \$413,740.04 for FY 19-20. However, the Estimated Revenues are \$1.1M less than obligations which is the tightest we've been a while, he said. He did say they are noticing we are getting more revenue than budgeted for and that we used to budget for ten grants of \$10,000 and under and now five are budgeted. Jeff Maul told the group to really think about the grant applications we are about to hear and how they will affect the community. It looks like we are going to be lean with funds until 2025/2026.

Approval of November Minutes:

Perrett asked for approval of the November minutes after one change. She mentioned page 2 in last meeting's minutes had her name in them even though she was absent. Maul said we would make that correction. Aaron Still made a motion to approve the minutes after the change. Tara Knuth seconded the motion. Perrett called for a vote. Cunningham, Knuth, Madsen, Perrett and Stitt voted yes. Dickerson and Morgan were absent. Motion carried.

Approval of January Financials:

Ron Kalkwarf presented the financials with the CVB Profit and Loss statement covering fiscal year July through January 2020. Total Income was \$1,257,532. Room Tax - Bid Fees were \$30,900 under budget because there was not a need of the full amount of bid fees budgeted. Other Income was higher by \$6,362, because of advertising sales being higher than expected in the 2020 Visitors Guide. Total Expenses totaled \$1,209,622 and Kalkwarf pointed out salaries were down by \$15,059 due to employee turnover. Printing expense was over budget by almost \$7,000 because of higher printing costs for the Visitors Guide. Net Income was \$47,910 vs. a budget of \$60,940. Kalkwarf asked for questions There were none, so Perrett asked for a motion of acceptance. Susan Madsen moved to accept the financials as presented. The motion was seconded by Jeff Cunningham. With no further discussion, Perrett called for a vote. Cunningham, Knuth, Madsen, Perrett and Stitt voted yes. Dickerson and Morgan were absent. Motion carried.

Being no further questions or comments, Perrett welcomed the first presenters.

Lincoln Calling Grant Request:

Shannon Claire and Michelle Zlomke spoke to the Committee to request a \$50,000 grant for Lincoln

Calling, an annual non-profit arts festival celebrating throughout the city with concerts, exhibits and community engagement. They began by showing a short video of the festival and followed that with information about Lincoln Calling and the festival. They recently were granted 501(c)(3) status making them exempt from federal income tax. They also have created a Board of Directors and have beefed up their staff. They said they have significant relationships in the community. They are a diverse event with a variety of genre music; very inclusive and providing enrichment opportunities. Guest come from all over the state and the area to be entertained and inspired. In 2019, they drew over 8,500 people to the event. 1,700 of those were from 28 states and 12 countries. 768 were from out-of-state attendees, 5,799 from the Lincoln area and 1,933 from other parts of Nebraska. For the economic impact in 2019, they looked at their numbers and said Lincoln Calling had a total impact of \$2,128,105. They have found their audience to be mostly under the age of 40, a good mix of men and women and they have had over 2M hits on social media. The festival is a 4-day event with around 90 national and local bands, many kinds of music, art happenings, murals, workshops and conversations. Their goals are to attract super artists, present a high-quality product and increase their out-of-state market. The festival is affordable, and artists will see Lincoln is a good place to come back to. Since it's not just a 1-day event, guests will stay and shop, visit other attractions and sleep in our hotels. In fact, they said, they are working to create partnerships with establishments and organizations so they can grow together. Some establishments they mentioned included Bodega's, Duffy's, 1867, Zoo Bar, Light Sound Focus, Redthread and Zipline. They also partner with many organizations - the Downtown Lincoln Association, Lincoln Chamber of Commerce, Nelnet/Allo and LNKTv, to name a few of those. They are working with local sustainable leaders to help the artists and guests recognize the benefits of coming to Lincoln to visit, live and stay. They are trying to put Lincoln on the map as a place of culture. The women asked for questions.

Perrett asked them for more details on their goals and usage of the funds if they receive the grant. They said they would be funneling most of it to marketing. Maul talked about projected revenue, asking if all the income they noted is solidified and the women said they have some funds committed and using them for digital marketing. Stitt wondered if they needed all \$50K now or if they could receive it over two years. They said they would be fine with it being split up. Todd Wiltgen asked if they have any theory on how the investment will affect out-of-state numbers. They showed a slide explaining in 2017 they used \$5K for marketing and none was targeted to out-of-state markets. The result was a decline in attendance from outside of the area. In 2018, they had \$25K to market in out-of-state outlets and 1,700 tickets were sold to out-of-staters. In 2019, only using \$7,500 resulted in another decline, down to 768 tickets. Maul asked them if they received the full \$10K State Tourism Marketing Grant and ways to cut expenses. Madsen asked if they are targeting new guests at all. Yes, they said, they have a lot of data and numbers and are learning from them. They were asked the cost of tickets. A 1-day ticket is \$30, and a 3-day VIP ticket sells for \$100. Knuth wondered if there were any other reasons the numbers were down in 2018 and asked if they did any surveys? They said they conducted surveys, but they were hit or miss and didn't really tell them anything about the numbers. Stitt wondered if they knew how many tickets were sold in 2017 and 2018 and they said they didn't have those numbers available. They also didn't have the number of room nights when Stitt asked them; however, Maul said Spencer Munson, from Lincoln Calling, always set up the room blocks. Stitt said he had soft blocks for them but did not have any rooms picked-up, and Madsen said she didn't have any room for them last year as the hotel was full with other events. Perrett dismissed the women and discussion followed. They are asking for \$50K but will take \$25K over two years. The Committee said they want the event in the Railyard and will hope to have over 100 bands. Maul said it's a lot of good music and really neat. Tammy Ward said she goes every year and it's phenomenal. Wiltgen asked who they partnered with and everyone looked again at the list they had gone over with the group. Maul said it's kind of a battle with no corporate sponsor and Perrett said they need great acts to get people

here. There was talk about how much the big-name acts cost and should all the \$50K go to marketing. Waite questioned if some of it be used to get better bands. Feyerherm noted they have connections which gets them good deals and some new bands, and they use a \$97K budget for band fees. It was pointed out that this is not a big-name concert event. Stitt said he will continue to support them and always tries to provide rooms. Knuth asked if we give them \$25K now and have them come back next year for the other half, if they meet their numbers. Knuth made a motion to grant them \$25,000 for 2020 and encourage them to come back for the other half next year. Madsen seconded the motion. With no further discussion, Perrett called for a vote. Cunningham, Knuth, Madsen, Perrett and Stitt voted yes. Dickerson and Morgan were absent. Motion carried.

Lincoln Children's Museum Grant Request:

Lindsay Bartlett spoke to the group about the Museum and their request of \$15,000 to support the rental and wide-range marketing of a rotating exhibit from the St. Louis Children's Museum. It would be here from May 2020 through Thanksgiving of 2020. The exhibit is one to promote and focus on childhood literacy and is called "Once Upon a Time". They have been looking for a big exhibit to bring people from out of state and stay for the weekend, she said. They are partnering with Morrill Hall and other Lincoln attractions to get visitors to come to Lincoln for the weekend or an extended stay. In the summer months, they feel there will be a lot for guests to do including the Lincoln Children's Zoo. Bartlett gave some information about the Museum being in business for over 30 years. They have been in their current location of 23,000 sf for 22 years. They have more exhibition space per capita than children's museums in Boston, Philadelphia and San Francisco. They have a medium sized staff and a large space, she said. Each year they have over 150,000 guests and 20% of those visitors are from outside Nebraska. Their summer attendance is 103,000 with 18% from out of state. They have been named top 20 Children's Museum by Parents.com and routinely host visitors from across the country. They want to capitalize on the summer months with this exhibit and hope to market it that way playing on a sense of urgency saying it's just here for the summer. Bartlett went on to say their geographic region is +/- 240 miles and mostly children of 0-12 visit the museum. She said early childhood education and literacy is not just a local initiative and they target interests of travel, family time, adventure, education and family fun. The museum is using their website social media, email marketing, television and radio and brochures to advertise. Perrett opened it up for questions. Madsen asked what it costs to rent the exhibit. \$35,000 and that includes St Louis helping with the set-up. Maul asked if they have firmed up the other projected revenue sources. They have \$30,000 pending from an Angle Charitable request (which they should hear about in a month), \$10,000 from the Lincoln Community Foundation (they got \$5,000 of that so far) pending as well as the request here. Maul asked what happens if they don't get the grants? Bartlett said they would have to move funds around and take from other exhibits. Wiltgen asked them to explain their target marketing plan. They are looking in western Nebraska and along the I80 corridor and again explained the use of the different outlets, TV, articles, field trips, etc. At that point, Perrett excused Bartlett and Tara Knuth, Museum Director, left because of a conflict of interest. In discussion, Madsen said people love the Lincoln museum even more than Omaha's. Roma Amundson said her grandkids love it, too. Stitt made a motion to grant the \$15,000 as requested. Madsen seconded the motion. With no further discussion, Perrett called for a vote. Cunningham, Madsen, Perrett and Stitt voted yes. Knuth abstained. Dickerson and Morgan were absent. Motion carried.

Star City Optimists Foundation Complex Grant Request:

Chad Hansen, in charge of maintenance and management of the complex, made the main presentation to the Committee requesting a grant for \$1,800,000. He distributed packets of information from the Slumpbuster Tournament for people to look at later, he said. Jeremy Williams and Bob Grundman, from the Optimists, were there, too. Grundman spoke first though saying their goal is to help kids do their best.

They are working to get them involved in different programs to have physical and intellectual challenges. They started the complex back in 1991 and they are needing improvements. Lights, synthetic turf and parking are the main goals. Hansen went on with the Committee talking about the projected cost of the improvements being \$2.9M and they are requesting \$1.8M. He said in 2019, 118 games out of 682 scheduled were canceled because of weather. He went on to say in 2013 they had 17 tournaments, in 2016, ten, in 2019, five and looking at eight in 2020. These tournaments have hosted anywhere from 28 - 80 teams. The national tournaments they host have had 1,266 hotel nights, the state tournaments, 109 nights and the local have had 59 hotel nights on average. There are lots of cities around Lincoln taking teams from us because they have more and better facilities. Omaha hosts the Slumpbuster Tournament with 700+ teams. They want Lincoln to be a partner in those tournaments, sending at least one age group here to stay and play on our fields. We just need better fields so they are confident we can accommodate them. Hansen said they are trying to sell 28.5 acres at \$62,500/acre to help raise the money to fund this project, then showed a video of the proposed improvements to the complex. The floor was opened to questions. Perrett asked if the grant money would just be used for improvements. Hansen said it would. Nicole Fleck-Tooze asked Hansen to talk about how they decide how many nights teams will stay in Lincoln. That is part of the tournament registration, he said, when the teams sign up to play, they are required to stay in whatever city they are told and for a certain number of nights. It's a requirement of Triple Crown Sports and the Slumpbuster baseball program that hosts the tournaments. A question was asked of how many of their fields he wants to put turf on and he said all of them. Fleck-Tooze asked if in ten years or so, when they need to replace the turf, would it cost the same amount again. Hansen said no, the drainage system and rock would already be there so it would cost about half as much and they would work with good contractors so there wouldn't be many problems. Perrett asked how the lights would help, would it double the amount of games? Hansen said the lights would help them hold games later into the evening, more in the fall and that would be more adults but would not necessarily lead to more tournaments. Waite asked if they were getting funding from anywhere else besides this grant and the selling of the land. Grundman said they have been selling off parts for past improvements. Two parcels have already been sold to Churches. Maul said what if not sell the land and all you get is this grant – what would you do with the money. The turf would be the number one priority, in Hansen's opinion, because that would bring in the most games and hotel nights. He said people want the turf because rain won't bother it. Madsen asked if there were any other fields with turf in Lincoln. Hansen said LPS just turfed Den Hartog field. Fleck-Tooze questioned if they sell excess land, they won't have room to grow. Yes, Hansen said, that's right but they don't feel they need to expand. There are several other projects going on in Lincoln right now planning for more ballfields. We just need to make ours better so we can compete and host more tournaments and team. Knuth asked if four fields is enough to which he said they are part of the solution. Stitt said \$62,500 is the list price of the land, but what is the more realistic selling price. The land is zoned for a public/semi-public use and should the Optimists be looking at getting it rezoned. Hansen said they looked into that but were advised to let the buyer get it rezoned to be sure it's zoned to fit their needs. It was asked if it's in a flood plain and Hansen thought a small corner of it was. Maul asked when they are planning to begin the project and how long do they think it'll take. Hansen told them if they get this grant by the first of July, they will start right away and be ready to go by spring of 2021. Madsen asked if they have enough parking. Yes, they've just been using rock lots and they have been fine. Fleck-Tooze asked if he and his company All About Grass would keep managing it and he said he would think so, but it's not his call. He would want to, he said. Next, she asked if the budget would be enough. Hansen said he would help them because he wants baseball back on track in Lincoln. Grundman added this is a labor of love for Hansen. Amundson asked how it would affect their project if they don't get the funding and Hansen said they may have to talk to a bank to work with them.

Perrett excused the three gentlemen and a discussion began. Waite pointed out how much Chad Hansen and his company would benefit from this project and wondered if there was some personal gain being looked at on his part. Many agreed. Knuth said talking to a banker may be unrealistic because of the loan interest payments. Wiltgen showed on the map where the project is located and how it's zoned. He also said it is not in a flood plain. \$62,500 is extremely high and optimistic. Amundson and Knuth thought maybe we should wait and ask them to come back after they sell the land. There may not be adequate improvement funds when they come back, so it was discussed if we write a contract with them as it is first come, first served. Maul asked Eagan if they would need to account for it when looking ahead and he said the county would if there was a contract issued. Knuth and Ward feel they did not provide enough information and details. Perrett thought it was odd Hansen gave the presentation and not one of the Optimist gentlemen. Stitt wants them to have the land sold first; "have a little skin in the game". Amundson said she would like to have a realistic price on the land. Diane Pryor suggested looking up what the two parcels sold to the churches for. Wiltgen looked and said it sold for \$320,000 for 20 acres. The assessed value of the land is \$791K. Knuth was concerned about maintaining them in the future. Madsen said the Slumbusters are a big deal and we really would like to have them in Lincoln. Maul said there just aren't enough baseball fields in Lincoln and many agreed with him. Stitt said it's a lot of money to invest in upkeep and maintenance and improving four fields. And he was concerned the Optimists hadn't done anything to raise any money. Waite and Knuth said again they think the group should be doing some fundraising. Stitt made a motion to not grant them the funds until they had raised some funds themselves. Perrett seconded the motion. Maul pointed out the motion was for a denial so everyone voting would know a "yes" vote meant no grant being issued. With no further discussion, Perrett called for a vote. Cunningham, Knuth, Perrett and Stitt voted yes. Madsen voted no. Dickerson and Morgan were absent. Motion carried 4-1.

Directors Report:

Jeff Maul began his report talking about the CVB projects, marketing and sales beginning with the Visitors Guide. He had one in everyone's packet and said if they wanted more to let him know. The CVB went with a little different size this year to draw attention to it. It will be a slightly taller booklet style so it will show nicely on marketing stands. He went on to say they are continuing to advocate for sports facilities in Lincoln. There are renovations going on at Lincoln Sports Foundation (formerly Abbott), projects at Kinetic Sports Complex and Speedway Village. The Manzitto project will be having a ribbon cutting in late March, he said. There will be 16 basketball courts and 24 volleyball courts between the two; therefore, we will be able to host bigger tournaments. Youth sports is a \$15 billion travel industry and we are working diligently to be a part of that industry. Next, Maul said discussions are ramping up again of needing a convention center in Lincoln. We had talked about it some when Pinnacle Bank Arena was built and now some think we need to update again. With the passage of LB57 in 2019 short-term rentals would be forced to pay appropriate occupation taxes. This is to keep them in alignment with the hotels and to put limitations on national AirBnb's buying housing units in Lincoln and Lancaster County. Maul said he takes the NSAA very seriously and are happy to announce the successful bids to host state volleyball and state unified bowling for the next five years. The CVB couldn't do this without our great facilities and partnerships with the University, PBA and our local schools. The CVB will also continue to co-host class A and B baseball. Discussions are continuing with USARS for 2021, 2022 and 2024, 2025, with the hope to have a contract by the end of the week. Jeff continued with marketing and sales information. The staff has been busy with community presentations and organizing committees. Maul thanked the Lancaster Event Center for their work bringing in the Family Motorcoach Association in August and the National High School Finals Rodeo in July. Also, Lincoln is currently hosting the Pro Bowling Association and the U.S. Open. Sunday we will be on FOX live from Lincoln. Maul went on saying in March we will host the

state high school basketball tournaments and hope for a good mix of teams, with some from out of town, to bring up the hotel room nights.

Feyerherm talked next about sales and proposals. He said they have had 43 sales leads for 30,984 room nights. January and February sports events have brought in many of those. They have 53 leads currently pending for 30,026 room nights. In 2020 booked business, there are 18 events booked so far for 27,390 rooms.

Updating everyone on CVB's work attending tradeshows, Feyerherm said the ABA Annual Marketplace was in Omaha January 10-14. Kelsey Meyer has 27 appointments scheduled from that show. She has been with us for seven years and we are lucky to have her and her valuable experience, he said. Also last month, the IPEC was in St. Pete, Florida and they had 20 appointments scheduled from that tradeshow. A religious conference, RCMA Emerge, was in Irving, Texas February 4-6 with Kelsey McGreer attending. She does a good job and has 13 appointments scheduled as a result. Upcoming tradeshows include Heritage Club in late February in Missouri - Meyer attending; CMPC in March in Colorado - McGreer attending; Select Traveler Conference in late March in Wyoming and the Sports ETA Symposium in April in Kansas City that Derek Bombeck will attend.

A couple of miscellaneous updates from Feyerherm included news of the recently updated Meeting Planner Guide. It will go live next week, he said. The CVB is working with a marketing software to see what is being done on our site and trying to track the findings. Lastly, EventLNK Conference is coming in March. That group was partly founded by the Lincoln Chamber. They will be doing their own conference in Lincoln community. Susan Madsen's team is hosting it at the Lincoln Marriott Cornhusker Hotel. There will be four different break-out sessions in one big ballroom. Participants will be talking about new trends in the industry and will try new techniques including blow-up air dividers in the room and the use of sound-blocking headphones.

New Business:

There was no new business.

Adjourn:

The meeting was adjourned at 3:44 p.m.