



**CHARLOTTE REGIONAL VISITORS AUTHORITY
BOARD MEETING**

Wednesday, April 8, 2009 – 8 AM
Charlotte Convention Center Room 201 A/B

Attending: Jim Nash, Ravi Patel, Derick Close, Tom Sasser, Tina Whitley, John Sweeney, Caldwell Rose and Anthony Lindsey. Absent: Joe Hallow and Anthony Fox. Attending via teleconference: Vi Lyles, Geoff Durboraw and Rai Glover.

Staff Present: Tim Newman, Mike Crum, Larry Williams, Jim Helms, Gina Sheridan, Ted Lewis, Eric Scott, Bill Tripet, Jeff Mann, Winston Kelley, Reka Brim, Molly Hedrick, Mike Applegate, Carole Thompson, and Mariel Littrell.

Others in Attendance: Cameron Furr, CRVA Attorney from Grier Furr and Crisp, Bill McMillan representing the Visitors Advisory Committee (VAC), and Sid Smith representing the Charlotte Area Hotel Association.

Meeting Called to Order: Chairman Nash called the meeting to order at 8:00 AM.

Approval of March 11, 2009 Meeting Minutes: Mr. Close made a motion to accept the March minutes as submitted, seconded by Mr. Lindsey. For: Nash, Patel, Close, Sasser, Whitley, Sweeney, Lindsey, Lyles, Glover and Durboraw. Against: None.

Strategic Imperatives: Report of the Strategic Planning Committee - Mr. Close, Chairman of the CRVA Strategic Planning Committee, reported that the Committee continues to monitor CRVA activities in light of the current economic conditions. (Mr. Rose arrived at 8:05 AM) At its last meeting on April 1st, the Committee reviewed actual financial reports through February and will look at March activities at its next meeting on May 5th. The Committee will present a projected update at the May meeting of the CRVA. Mr. Nash commented that he appreciated the thoroughness given the review by the Committee and CRVA staff. Mr. Newman noted that at the May 11th staff meeting, all staff will be given an opportunity to make suggestions regarding budget savings. The Budget Committee will meet on May 21st.

VAC Meeting Report: Mr. Bill McMillan spoke to the board concerning the activities of the VAC at its March 26th meeting. The group discussed the challenges presented by the current economy and options and strategies to address these challenges. A meeting has been scheduled tentatively in June, which would include a tour of the Hall of Fame. The VAC is working to support the Strategic Plan. The VAC now has close to 40 members.

Hall of Fame Exhibit Overview: Winston Kelly presented an overview of the Exhibit areas of the Hall of Fame. An update was given to City Council on March 23rd. City Council is to

consider approving the budget for the Exhibits next Monday. Mr. Kelly reviewed exhibits to be placed on four levels of the Hall of Fame: the theater, the Great Hall (including Glory Road), the Hall of Honor and the Heritage Speedway. Mr. Kelley noted that the Hall of Fame was on schedule and on budget. A topping off ceremony will be held in February. Mr. Kelly reported on activities related to building up the collection of artifacts for the Hall. Principal staff members heading up the work are Don Smiles and Buz McKim. The office building plaza and parking garage are scheduled for completion in May. Mr. Lindsey asked whether the electronic exhibits have Internet capability. Mr. Kelley responded that they are working through that issue and that they wanted to strike a balance between providing information on the website and encouraging people to visit the Hall of Fame. Additionally, the "smart tickets" will have a code to enter online to continue the experience of the visit to the Hall of Fame. Mr. Lindsey noted that he wanted to make sure the staff is continuing diversity efforts on the vendor side. Mr. Kelly responded that the staff is absolutely working on that issue. Additionally, one of the cases in the museum will include "Diversity in NASCAR" and they are working closely with the NASCAR diversity team.

Sales and Marketing: Visitor Statistics - Mr. Helms reviewed ADR graphs showing Percentage Change – Charlotte vs. US and Charlotte Measures. He noted that ADR numbers have held fairly strong this year. Charlotte is doing better than its Comp Set in ADR for February. The occupancy number for February is above both the Comp Set and the US average. Reviewing goals, Mr. Helms noted that the CRVA is still behind on square footage bookings for 2011/2012. YTD revenue for the CRVA as a whole is projected to be around \$32M, which is short. In response to a question, Mr. Helms said that he would distribute after the meeting a comparison of square footage by month in the Convention Center.

Sales Activities – Mr. Butts noted that there were lots of short-term bookings last month, referencing specific information provided in the Barometer Report. Mr. Butts was in Washington DC during last month's CRVA meeting. Staff held a series of events over three days in DC, including meetings, lunches and receptions for meeting planners. Approximately 150 people total showed up over those days. They promoted the green initiative at the Convention Center and the new buildings and facilities that will be coming on line in the Center City. The meetings were very successful. Lost business of note was the Oncology Nurses Association event for November 2010. Another city opened up dates and booked them. Also, a church group cancelled to go to Las Vegas. Recently, a site visit was held for the American Legion for 2014. This event had been lost in the past because of hotel rates. After the visit, the American Legion reported that a competing city had low-balled rates. It appears that "rates are King," at least for the near future.

Mr. Butts introduced Donna Carpenter who is the Director of Tourism & Business Development. Ms. Carpenter and staff went to the United Kingdom last week with the State's Division of Tourism to promote the Charlotte region as a gateway and as a destination itself to international visitors. The group visited London, Manchester, Liverpool and Edinburgh. They trained 45 tour operator staff throughout those cities. Tour operators are very interested in North Carolina. Some are coming to North Carolina in the next few months to visit and staff will be in contact with them. They trained over 70 travel agents. They hosted 40 consumers at two different events arranged by two travel agencies that had invited their top consumers who had been to the U.S. before but were interested in seeing other parts of the U.S. The group also attended an independent travel agent trade show. Additionally, they trained 65 of US Airways call center staff in the UK.

Marketing Activities – Ms. Sheridan reported that April had started off strong. As part of the partnership with AAA, they sent out an e-blast to 300,000 opt-in subscribers in NC and SC promoting a sweepstakes offering a four-pack of tickets to Carowinds and a gas card. The goal is to promote Charlotte as a family-friendly destination. Ms. Sheridan showed the board what the e-blast looked like, and she also showed the promotion of the sweepstakes on the homepage of Charlottesgotalot.com. Exposure will run from April 2 to May 31. In past meetings, Ms. Sheridan has been talking about social marketing. Staff members have been doing tweets through Twitter promoting the City and today tweets have gone out regarding the sweepstakes going live. A Google search for “charlotte nc” returns the Charlottesgotalot website as the first result. The marketing staff has been working with Tripadvisor and leveraging the relationship to increase exposure. Geo-targeting is ongoing on Tripadvisor to persons searching in Greensboro, Raleigh, Columbia, Greenville, and Atlanta. Also content targeting is ongoing to all users of Tripadvisor looking for NC info. Those targeted will be served an ad regarding the Charlotte region. As added value, the marketing staff was able to get a fixed position on all NC destination overview pages for one month and on the “run of site” they received an addition 135,000 impressions at no cost. The “things to do in Charlotte” feature on Tripadvisor includes advice from travelers. Staff has been adding calendar items to that section. The marketing staff has also negotiated exposure on weather.com. They are using geo-targeting to address drive-in visitors from Virginia, SC, Raleigh-Durham, Greensboro, Asheville and Atlanta. They also have been able to serve ads to searchers from outside of area who search for weather in NC. For international marketing, the State of NC brought an opportunity to launch a Canadian promotion related to the Coca-Cola 600 NASCAR Race. This includes a series of in paper and online ads. Last month, Ms. Sheridan talked about added value opportunities. Staff went back to advertising partners for last year and asked for additional advertising benefits. In the month of April, the CRVA got a free ad on Travel and Leisure’s website. The CRVA is going to run ads in The Business Journal to promote business in the Convention Center. They are trying to get local corporate business to recognize the opportunities at the Convention Center. Finally, on quarterly basis, the staff sends out newsletters to update meeting planners and tour operators to show events or matters of interest coming on line. Ms. Sheridan distributed copies of those newsletters.

Measures: February Financial Report - Mr. Williams reviewed the Financial Report for period ending February 2009. The balance sheet reflects that the CRVA is in sound financial condition. The CRVA had a net deficit of 32,745 primarily from the \$8,333 surplus resulting from the F&B profit sharing agreement with the Bobcats and the \$41,078 deficit from the HOF parking garage. Visit Charlotte’s net expense of \$771K versus budget of \$841K puts them ahead of budget by \$70K for the month. The Convention Center had a gross operating deficit of \$33K versus a budgeted deficit of \$111K which puts them ahead of budget by \$79K for the month. Although February was a busy month generating nearly \$1MM in income, revenues were below expectations by 2% due mainly to a lower than expected contribution from Audio Visual rental and labor. The Ovens Auditorium /Bojangles’ Coliseum Arena Complex recorded a gross operating surplus of \$42K versus budget surplus of \$60K which puts them behind budget by \$18K. FYTD, the Complex is behind budget by \$294K. Bojangles’ Coliseum hosted 6 events versus a budget of 11. The three rodeo days budgeted in February at the Bojangles’ Coliseum were actually held in March. Ovens hosted 20 events vs. a budget of 22 events. At the Time Warner Cable Arena, expenses were under budget by \$47K primarily in the salaries, contract services, and supplies. FYTD, the Arena is \$71K ahead of budget. Actual expenses were \$81K versus budget of \$180K for the NASCAR HOF due primarily to timing differences as to when advertising and promotion expenses will

occur. Expenses for the Airport division were under budget by \$5,732. CRVA Parking Operations incurred \$41K in expenses versus a budget of \$48k. Additional hiring has been delayed until the HOF parking garage is open. *Fund Balance Projection:* The CRVA expects a fund balance of \$3.93 million versus the goal of \$4 million. The variance is due to the effects of the CRVA Parking Operations at the Hall of Fame. Mr. Rose made a motion to accept the February 2009 Financial Statement, which was seconded by Mr. Lindsey. For: Nash, Patel, Close, Sasser, Whitley, Sweeney, Lindsey, Lyles, Glover, Rose and Durboraw. Against: None.

Budget Process Update: Mr. Williams reported that CRVA staff is in the thick of the budgeting process. They are wrapping up capital improvement requests and meeting with departments. Next the finance department will meet regarding operating budget requests. On May 5th, the finance department will participate in the Strategic Planning Committee meeting. On May 21st, the Budget Committee will meet to discuss and approve a budget to recommend to the full CRVA board.

Consent: Management Reports -- Mr. Lindsey asked when a report on the economic impact of the CIAA tournament could be expected. Mr. Newman said a full report would be presented in May but that initial reports were that the numbers were up. Mr. Newman noted that, in the wake of the resolution adopted by the board last month supporting legitimate business travel and tourism, a letter to the editor of The Charlotte Observer discussing the importance of tourism to the economy was being prepared. Ms. Lyles thanked the staff for hosting a fine reception for the ceremony marking the naming of Bojangles' Coliseum.

Executive Session: A motion was made by Mr. Nash, seconded by Mr. Close, to move into Executive Session at 9:08 AM in accordance with North Carolina General Statute section 143.318 11(3) for the purpose of consulting with an attorney retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body. For: Nash, Patel, Close, Sasser, Whitley, Sweeney, Rose, Lindsey, Lyles, Glover and Durboraw. Against: None.

The regular meeting of the board was resumed at 9:26 AM. Ms. Lyles had left the meeting at 9:11 AM. Mr. Newman noted that Mr. Nash would be leaving the board in June because of "term limits." Mr. Sasser and Ms. Glover were up for reappointment. A new member would be appointed to fill Mr. Nash's seat. There being no further business, the meeting was adjourned at 9:27 AM.

Vi Lyles, Secretary