



**CHARLOTTE REGIONAL VISITORS AUTHORITY  
BOARD MEETING**

Wednesday, May 13, 2009 – 8 AM  
Ovens Auditorium, Hospitality Room

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

Staff Present: Tim Newman, Mike Crum, Larry Williams, Jim Helms, Gina Sheridan, Ted Lewis, Eric Scott, Donna Carpenter, Bill Tripet, Jeff Mann, Winston Kelley, Reka Brim, Molly Hedrick, Nick Biancofiore, Brandy Richard, Jorge Rodriguez, Jeff Hewitt, Mike Butts, Mike Applegate, Carole Thompson, Mariel Littrell, and Katie Edwards (intern).

Others in Attendance: Cameron Furr, CRVA Attorney from Grier Furr and Crisp; John Thompson, acting General Manager of the Westin Hotel; Julie Szulczewski, Managing Director of Channel 9 news; Ron Kimble with the City of Charlotte; Mohammed Jenatian with the Hospitality and Tourism Alliance; 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 April 8, 2009 Meeting Minutes: Mr. Fox made a motion to accept the April minutes as submitted, seconded by Mr. Close. For: Nash, Patel, Close, Sasser, Whitley, Fox, Hallow, Durboraw, Glover and Rose. Against: None.

Strategic Imperatives: *Report of the Strategic Planning Committee* - Mr. Close, Chairman of the CRVA Strategic Planning Committee, reported that the Committee reviewed the forecast for the month at the last meeting. Board members present were Mr. Close, Mr. Sasser, Ms. Lyles and Ms. Whitley. At that meeting, Larry Williams reviewed the proposed budget projections through the end of FY09. The weakness of events has been a factor at all facilities, but income is 97% of budget, which is good for this economy. Also at that meeting, Jim Helms reviewed 2009 organizational goals. He noted that the fund balance goal was met, they are at 97% of revenue goal, and customer satisfaction is above 4.6%. The NASCAR Hall of Fame will have some effect next year but a major impact in 2011. The strategic plan has served the CRVA well and is well positioned for when the economy changes. The Strategic Planning Committee continues to monitor CRVA activities in light of the current economic conditions. (Ms. Lyles arrived at 8:10 AM)

Jim Helms reviewed key points of the Strategic Plan for 2010, 2011 and 2012. The full plan was included in the Board packets. The Board discussed the benefits and risks of co-promotion opportunities at Ovens and Bojangles' Coliseum. Staff believes those opportunities must be explored in order to drive events to the facilities in these economic times. Mr. Crum noted that anything that would expose the CRVA to a loss above \$100,000 would be taken to Mr. Newman for review. The Board discussed new and competing facilities, including the Music Factory and the Knight Theater. Mr. Fox made a motion to approve the proposed Strategic Plan. Mr. Hallow seconded the motion. For: Nash, Patel, Close, Sasser, Whitley, Fox, Hallow, Durboraw, Glover, Lyles and Rose. Against: None.

CIAA Update: Mr. Newman reported that the CIAA has reported on the economic impact from the Tournament. A press release was included in the Board packets. Overall impact was up to \$38.2M, which was an increase from \$35M for the prior year. The estimated number of attendees was about the same, but it was estimated that they spent more. Ray Kennedy will be at the June CRVA meeting to be recognized for his contribution to the Tournament as Chair of the Local Organizing Committee. CRVA Board Member, Anthony Lindsey, will be the Chair of the Local Organizing Committee next year.

Sales and Marketing: Visitor Statistics - Mr. Helms reviewed visitor statistics through March 2009. Mr. Helms reviewed March Occupancy, YTD Occupancy and ADR. ADR is starting to see a decrease, but RevPAR is tracking about the same. Last year in this month, the City hosted the ACC and a couple of large conferences. Mr. Helms reviewed comparative measures. One report from Smith Travel for April, looking forward, shows occupancy and RevPAR tracking down. Mr. Helms reviewed Organizational Goals for FY09 compared to results, as shown in the board packets.

*Sales Activities* – Mr. Butts noted that yesterday was National Tourism Day and the staff went to Raleigh and had a pit crew competition between teams of legislators (House vs. Senate). The goal is to promote the effect of NASCAR on local tourism. Mr. Butts discussed month end report, as reflected in the Barometer report. Visit Charlotte booked 14 events, but all were relatively small. Leads and room nights are down. A booking of note is the Southeast Region Wound, Ostomy and Continence Nurses convention in September 2010. American Legion is the “big win” to report. They will be coming in August 2014. They will occupy almost 20,000 room nights.

Mr. Butts discussed, on a very high level, the Strategic Plan for Visit Charlotte. The overall goals of Visit Charlotte for the upcoming year, include (i) consume \$6M occupied room nights, (ii) book 328,740 room nights, (iii) customer satisfaction of 4.5 or better, and (iv) host 115 motor coaches. Mr. Butts reviewed the pace report. Mr. Butts also reviewed some of the key group sales strategies, including: (i) improve foundation of base business for future years; (ii) higher conversion; (iii) improve lead generation; (iv) maintain position with national associations regarding amateur sports; (v) aggressive use of business development funds; (vi) bureau express “one hotel group” focus; (vii) attract more “marquee” events; (viii) increase partnership programs with educational-related events; (ix) motor sports targeting; and (x) work with CVB's in the region to promote events.

*Marketing Activities* – Ms. Sheridan reviewed a series of slides regarding Leisure Research and Background to show the connection between research on travel and the marketing activities of the CRVA. She also discussed the connection between the research and the Strategic Plan. Ms. Sheridan discussed Strategic Plan issues and budget issues effecting the marketing division of the CRVA.

Ms. Sheridan reported that efforts to get “value added” from advertising partners is continuing, resulting in a free ad in USA Today. She showed material related to the Oprah sweepstakes, for which the CRVA received but did not pay. Adams Outdoor worked with the marketing staff to put up billboards on I-85, for which the CRVA only had to pay photographer royalties. (Mr. Rose left at 9:30AM)

*Public Relations Impact* -- Ms. Hedrick told the board that she will be reporting to the Board quarterly to show how public relations efforts are making an impact and have value to the CRVA. These reports will be looking at and reporting regarding (i) circulation, (ii) ad value, (iii) tone (positive/negative/neutral), and (iv) market or tier (national, drive-in, local or other). She reviewed these statistics by month for January, February and March of 2009.

Measures: *March Financial Report* - Mr. Williams reviewed the Financial Report for period ending March 2009. The balance sheet reflects that the CRVA is in sound financial condition. Worthy of note is the \$1.5 million in deferred (prepaid) expenses. The bulk of this is related to the Brick Paver program of the NASCAR Hall of Fame. As revenues are generated from the sale of the bricks, the associated deferred expenses will be recognized as actual expenses in the same time period. The CRVA had a net deficit of \$9,491 primarily from the \$8,333 surplus resulting from the F&B profit sharing agreement with the Bobcats and the \$17,824 deficit from the HOF parking garage. Visit Charlotte’s net expense of \$830K versus budget of \$819K puts them behind of budget by \$11K for the month but ahead of budget fiscal year-to-date by \$467K. The Convention Center had a gross operating surplus of \$17K versus a budgeted deficit of \$123K, which puts them ahead of budget by \$141 for the month. March was a busy month generating a little over \$1M in income due primarily to a strong slate of short-term bookings. Expenses were down 5% overall due mainly to lower than anticipated employee benefit expenses and an event mix that allowed for reduced spending on wages and the cost of merchandise. The Ovens Auditorium /Bojangles’ Coliseum Arena Complex recorded a gross operating surplus of \$25K versus budget surplus of \$77K which puts them behind budget by \$51K. FYTD, the Complex is behind budget by \$345K. Bojangles’ Coliseum hosted 5 events versus a budget of 7. The three rodeo days budgeted in February at the Bojangles’ Coliseum were actually held in March and helped offset the two budgeted concerts that did not materialize. Ovens hosted 21 events vs. a budget of 22 events. Maintenance expenses were impacted by a \$30K plumbing repair. At the Time Warner Cable Arena, expenses were under budget by \$23K. FYTD, the Arena is \$95K ahead of budget. Actual expenses were \$110K versus budget of \$187K 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 \$3K. CRVA Parking Operations incurred \$18K in expenses versus a budget of \$55. Additional hiring has been delayed until the HOF parking garage is open.

Fund Balance Projection: \$3.9 million versus the goal of \$4 million with the variance due to the effects of the CRVA Parking Operations and the projected operating deficit of \$85K for the Bojangles' Coliseum/Oven Auditorium Complex above the authorized subsidy provided by the City. Mr. Patel made a motion to approve the financial report, seconded by Mr. Close. For: Nash, Patel, Close, Sasser, Whitley, Fox, Hallow, Durboraw, Glover and Lyles. Against: None.

Consent: Management Reports – Mr. Newman noted that board member John Sweeney has left the Westin and has resigned from the board. He introduced John Thompson, visiting as a guest, who is acting General Manager of the hotel. Mr. Newman also introduced Katie Edwards, an intern for the summer who is a student at USC-Columbia.

Executive Session: A motion was made by Mr. Nash, seconded by Mr. Hallow, to move into Executive Session at 9:42 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 and with North Carolina General Statute section 143.318.11(4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the CRVA. For: Nash, Patel, Close, Sasser, Whitley, Fox, Hallow, Durboraw, Glover and Lyles. Against: None.

The regular meeting of the board was resumed at 9:59 AM. Mr. Hallow and Mr. Close had left the meeting at 9:56 AM. There being no further business, the meeting was adjourned at 10:00 AM.

Vi Lyles, Secretary