

MINUTES
MOORESVILLE TRAVEL AND TOURISM AUTHORITY
THURSDAY, FEBRUARY 4, 2021
9:00 AM VICTORY LANES BOWLING CENTER, MOORESVILLE, NC

Present: Amit Govindji, Eddie Dingler, Mitch Abraham, Grant Hutcheson, Deborah Hockett, Leah Mitcham, Cathy Carpenter

Guests: Randy Hemann, Tony Bassat, Beth Compton, Deanna Groeger, Tonya Thompson, Jeremy McCauley, Christine Patterson

Amit Govindji called the meeting to order at 9:09 AM. A quorum was present.

1. Approval of Minutes:

Mr. Govindji called for approval of the minutes.

Mitch Abraham made a motion that the minutes from the January 7 meeting be approved.

Eddie Dingler seconded the motion.

The motion passed unanimously and the minutes were approved.

2. Executive Director's Report:

The CVB assisted 16 visitors, had 24 visitor guide requests and distributed 162 visitor guides.

Leah reported occupancy for December was 29.1% down 43.5%, ADR was \$77.81 down 19% and Revenue was down 45.3%. The YTD occupancy is 37.5%, down 41.7%.* *Data from STR

STR report for NC showed annual statewide occupancy in 2020 was 45 percent under 2019 when occupancy statewide was 65.4 percent—a decline of 31.4 percent for the year. Annual revenue per available room for 2020 was also down 41.6 percent, with total room revenues down a staggering 41.2 percent for the year.

STR reported 2020 was officially the worst year on record for US hotels. For the first time in history the industry surpassed 1 billion unsold room nights which eclipsed the 786 million unsold room nights during the great recession in 2009.

Leah reported the CVB website for the month of January had 2030 users with 71.3% being new and 4161 pageviews with top user locations coming from North Carolina, Georgia, Tennessee, Virginia and South Carolina.

Leah reported the Bound targeted marketing for Q4 continued to increase our reach of visitors seeing Targeted content, hitting a new high of 44% of sessions. Our Targeted website engagement was lower than previous quarters, but the bulk of this traffic was from web visitors

and we successfully decreased their bounce rate month to month. We added a modal campaign specifically for ad visitors that averaged just under a 3% CTR. We saw over a 300% increase in visitor guide conversions over the default audience, and CTRs have already started to increase again. We are still seeing over a 600% increase in hotel page views conversion rate from our Targeted visitors over the default audience.

Leah reported marketing focus is on weddings and plan your vacation using social media to drive website traffic with support from Bound to serve targeted content to website visitors. We continue to focus on the drive markets of Georgia, Tennessee, South Carolina and Virginia.

Leah reported the CVB is doing an ad in the Charlotte Weekend Guide featured in Our State Magazine in April.

Leah reported KPAC Gymnastics qualifier meet will be virtual.

Leah reported she is working with AAU Pickleball to host a tournament for juniors, adults and seniors. The tournament is part of the Road to the AAU Junior Olympic Games. Greensboro will be the host for the AAU Junior Olympic Games in 2022.

Leah reported Best of Both Worlds Battle at the Lake scheduled for March 6-7 has moved their tournament to a private facility in Concord and Indian Trail.

Leah reported Carolina Girls Hoops, Teammate Basketball and NC AAU Girls Basketball tournaments scheduled for March will probably be canceled due to COVID.

Leah reported the North Carolina Sports Association has formed the North Carolina Sports Leadership Council which brings together representatives from the leading sports organizations in North Carolina to better amplify the positive impact of the sports industry throughout the state. Fred Whitfield with the Charlotte Hornets is the Honorary Chair and Scott Dupree, Executive Director with the Greater Raleigh Sports Alliance is the Chairman. Other members include Al Davis, President of NC USA Track and Field, Greg Walter, EVP and GM of Charlotte Motor Speedway and John Swofford, Commissioner of the Atlantic Coast Conference.

Leah reported Powerade State Games and the 600 Festival were returning sponsorship for events that did not take place due to COVID.

Leads were sent for International Senior Softball's Eastern Spring Nationals, Queen City Kayak Bass Fishing Tournament and Marlins of Raleigh.

Leah reported the Charlotte Independence Friendlies tournament January 23-24 had a total of 87 teams with 25 teams playing in Mooresville and an estimated economic impact of \$70,284.

Leah reported the Charlotte Independence Showcase tournament which had previously been held in December was moved to Rock Hill, SC due to the COVID mask restrictions in NC. Leah reported on the decline in the number of teams playing in Mooresville due to weather and COVID and the impact on the hotels. She stated the merger of Lake Norman Soccer Club with Charlotte Independence means more fields to play on, specifically turf fields. She stated the reason the CVB bought the land on Mazeppa Road was to build more soccer fields and keep the teams here and add other sports.

Leah reported upcoming events: February 13 Queen City Kayak Bass Fishing Tournament, February 19-21 Independent School National Championship, February 21 Major League Fishing's Phoenix BFL Tournament, March 6-7 Charlotte Independence Race City Classic, March 26-28 Carolina Big Bass Classic

3. Director of Sales Report:

Cathy reported she had a conference call with a new wedding venue called Mountain Creek Farmstead. An 11.5-acre site located off Rankin Hill Road which is set to begin construction in the spring.

Cathy reported the Mooresville Brew HA-HA Tour on February 13 has sold 40 tickets. She will be at Kilted Buffalo at Langtree Village to greet attendees and hand out Visit Mooresville welcome bags.

Cathy reported the 2021 Charlotte Regional Visitors Authority visitors guides are out and the CVB has a nice feature page in the day trip section. She has extra guides with her and will be glad to deliver the guides to the hotels.

Cathy reported the CVB has designed a weddings brochure. The brochure is also digital and is featured under the weddings tab on the CVB website. She has extra brochures with her and will be glad to deliver to the hotels.

Cathy reported she has been selected as the Meeting Planners International Programing/Education Committee Chair. She will be working on upcoming virtual meetings and coordinating with NC Business Travel Association on a series of sessions with industry leaders and top national accounts based in the region on how they are moving forward with business travel and meetings this year. If you are interested in attending the March 11 virtual event, please contact her.

Cathy reported she attended the MPI virtual meeting on January 28 and moderated the Q&A sessions.

Cathy reported the NC Business Travel Association golf outing will be May 10 at Mooresville Golf Club. This event was scheduled for May 3, 2020 but was rescheduled due to COVID. She is working with Bouk Catering for the food and beverage details and Future Fashion Designers for a possible non-golfer activity. Host hotels are SpringHill Suites and Hilton Garden Inn.

Cathy reported she updated the sales conferences and events calendar and has copies with her and will be emailing this afternoon.

4. Financial Report:

Deborah Hockett reported revenue for the first two quarters was \$293,763 and expenses were \$457,099. Revenue is down 54% from last year. The occupancy tax revenue for the second quarter was \$140,524. Current bank balance is \$699,576 but does not include the second quarter check.

5. Mazeppa Road Property:

Amit Govindji reported the CVB had received a letter of intent expressing interest in the purchase of the 48.89 acres on Mazeppa Road for \$1,250,000.00.

Deborah Hockett stated the Town attorney advised the CVB would need to do a competitive bid or closed bid process for the sale of the property.

Mitch Abraham stated he would like for the Board to do a resolution for a closed bid process or a counteroffer.

Deborah Hockett stated it would need to be a competitive bid and a 5% deposit from each offer.

Eddie Dingler stated that was a good offer but could the Board decline if there were no other offers.

Amit Govindji stated land is appreciating. Our goal is to put heads in beds. With the decline in corporate business, sports would bring people to stay in our hotels.

Eddie Dingler stated we do not know when we would be able to move forward with the fields.

Grant Hutcheson asked if the CVB could do a counteroffer.

Deborah Hockett stated not according to state statute.

Randy Hemann stated he did not think we could do a counteroffer.

Mitch Abraham stated he would like to do a sealed bid. He stated he was not opposed to selling but need the option to decline.

The Board asked Deborah Hockett to get more information from the Town attorney and bring back to the Board.

6. Old Business

Amit Govindji welcomed Randy Hemann, the Town Manager, to review the Resolution adopted by the Town to expand the CVB Board and change the legislation.

Mr. Hemann stated the Town Board is not just expanding the CVB Board, they also expanded the ABC Board. The Town had a lot of interest from the community for the committees and Boards.

Mr. Hemann stated the Town Board originally proposed nine members on the CVB Board but reduced to seven members. Other changes to legislation include changing the expenditure ratio from 75%/25% to 66.66%/33.33% which is the standard, term limits for Board reappointments to 2 successive 2-year terms and increase the occupancy tax from 4% to up to 6%.

Mr. Hemann stated the Town Board has not discussed raising the occupancy tax and does not plan to raise the occupancy tax. He stated the legislatures would not do anything to jeopardize the support of the public.

Mitch Abraham asked if the Town Board had the authority to raise the occupancy tax now.

Mr. Hemann stated they do not have the right to raise it without changing legislation. He stated the County does have legislation in place for an occupancy tax but does not know if they plan to implement it.

Grant Hutcheson asked why the Town Board wanted to do it now.

Mr. Hemann stated to change the Board, the legislation had to be changed.

Grant Hutcheson asked if legislation could only be changed at certain times of the year.

Mr. Hemann stated it can only be changed during the long session.

Grant Hutcheson stated his concern was with the increase in the occupancy tax and that the CVB Board does not have a say when the tax is increased.

Mr. Hemann stated the Town Board will look to the CVB for advice on when to raise the occupancy tax.

Amit Govindji stated his property was the third hotel built in Mooresville and he has been very involved with the CVB. He thanked Mr. Hemann for being at the Board meeting and stated he never remembers any previous Town Managers ever attending.

Amit Govindji stated he does have concerns with the increase in the occupancy tax and asked if it could be put in the Resolution that the tax would not be raised without approval from the CVB Board.

Beth Compton with the Springhill Suites stated they did not have any concerns with the increase in occupancy tax and believe the Town Board will be responsible.

Jeremy McCauley with the Fairfield Inn thanked Mr. Hemann for attending the Board meeting. Mr. McCauley stated he understood why they were including the increase in occupancy tax in the legislation. His concern is with revenue being down due to COVID when would the increase take place and what would the money be spent on?

Mr. Hemann stated that would be up to the CVB Board.

Mitch Abraham stated the focus has been on sports to increase weekend business. The CVB hired Cathy to bring in the group business. Those groups want a hotel and convention center.

Mr. Hemann stated the Town Board is looking for direction from the CVB on what is next and when we do it and what the long-term plan looks like. The CVB Board controls the tax and the Town wants to work together and not raise the tax without a plan.

Tonya Thompson with the Fairfield Inn stated she does not think the CVB should sell the land on Mazeppa Road. If the land is sold how can we expand our sports fields?

Eddie Dingle stated we need a plan to get there.

Mr. Hemann stated it would cost millions to develop the land. The Town would like to expand the current parks rather than operate another park.

Leah stated Mazeppa Park has approximately 10-12 acres to potentially add more soccer fields.

Jeremy McCauley asked how we get the soccer teams to continue to play in Mooresville.

Leah stated Charlotte Independence would like to partner with the Town on the turf fields at Mazeppa Park. She stated CI loves Mazeppa Park because it is 6 fields in the same complex and parking is not an issue.

Grant Hutcheson stated at the end of the day we need to figure out a plan and be all in to bring people to Mooresville and stay in the hotels.

Amit Govindji stated the CVB has tried to bring projects to Town like the baseball park and the competition swim facility. He stated maybe we need to look at capitalizing on our natural resources.

Mr. Hemann stated the Town Board needs a letter of support for the Resolution from the CVB Board.

Eddie Dinger stated there are no plans to raise the occupancy tax.

Grant Hutcheson stated he would like something stating the tax would not be raised.

Mr. Hemann stated the Town Board seeks the approval from the CVB Board for the resolution. He stated the Town could do a Memorandum of Understanding.

Mitch Abraham asked if the term limits would apply to all the boards including the Town Board?

Mr. Hemann stated the Town Board is voted in and out of office.

Eddie Dinger stated he agreed with Mitch on the term limits for the Town Board.

Eddie Dinger made a motion for the CVB Board to draft a letter of support for the Town Board Resolution to change the CVB legislation.

Grant Hutcheson stated he would second if an MOU was put in place to protect the occupancy tax from being raised without the approval of the CVB Board.

The motion passed unanimously.

Mitch Abraham stated he has an issue with the term limits.

Beth Compton with the Springhill Suites stated with the addition of so many room nights it will be good to have more hotels on the Board.

Grant Hutcheson stated we need to encourage more hotels to participate.

7. New Business

The meeting adjourned at 10:36 AM.

Respectfully submitted,

Leah Mitcham
Executive Director