



**Sioux Falls Convention & Visitors Bureau
 BID Board of Directors
 Minutes**

September 19, 2017

Sioux Falls Convention & Visitors Bureau Board Room

Presiding:	Thea Miller Ryan, Chair
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Voting Members Present:	Scott Garrett Tom Morris Usha Parmar	Paul Schiller Jennifer Seifert-Brenna
Voting Members Absent:	Jean Hoelsing Tracy Kolb	Sara McMahon
Non-Voting Members Present:	Daren Ketcham Rex Roling	Teri Schmidt
Non-Voting Members Absent:		
Others Present:	Jason Bell Matt Brunick Paul Hegg	Krista Orsack Kathie Puthoff

Chair Thea Miller Ryan called the meeting to order.

Approval of Agenda

Tom Morris motioned to approve the regular agenda. Second by Jennifer Seifert-Brenna. Unanimous.

As is required in the bylaws, there is a copy of today's handouts available on the back counter.

Approval of Minutes

Paul Schiller motioned to approve the minutes from the June 21, 2017 and July 21, 2017 meetings. Second by Jennifer Seifert-Brenna. Unanimous approval.

Financial Report

Teri Schmidt stated BID collections for July were down over \$24,000 compared to July last year which is a decrease of 11.7%. Room tax for June, however, was up over \$15,000 compared to last year. Scott Garret explained that room tax can be up even though BID collections are down due to the fact that room tax is a percentage based tax.

Teri reviewed the STR Report noting comparable cities who were also down.

Teri noted the following:

- Sales have been difficult, noting that it's difficult to get available dates at the Sioux Falls Convention Center and groups are becoming more financially demanding. Teri added that we are going to have to look at buying business in the future and be more negotiable on meeting space.
- Teri distributed an article on Omaha's First Entertainment Hub – the Capitol District, which is coming soon and will continue to be tough competition for Sioux Falls.
- We need to work on getting the Sioux Falls Airport to market to people flying in to Sioux Falls as well as out of Sioux Falls.
- Industry news indicates that 2018 is going to be another challenging year.
- Teri reported that at our last meeting, Scott Garret asked that we review and compare City Hotel Tax information. Teri distributed information the CVB collected in August that compares that information for surrounding and competitive cities.
 - Paul Schiller asked what the criteria is for groups to choose facilities. Teri explained that a big factor is the number of attached rooms on-site; then food; ease of getting to Sioux Falls; etc. Teri added that we need more facility space if we are going to compete.... break out rooms and flat floor space is critical. Rex Roling added that the City is doing a study next year on the Arena and Convention Center to determine viability.
 - Scott Garrett explained his reason for wanting to see the tax comparison was to begin a discussion...to see where Sioux Falls is on the spectrum. He noted when Omaha is charging over 18% tax on a hotel room, maybe Sioux Falls does have some room to expand from the \$2 flat fee to the 3% percentage based fee.
 - Rapid City will not be going forward during the upcoming legislative session to try to move to the 3% over the \$2/room/night flat fee.
 - Paul Schiller asked what opportunities (perhaps with business travelers), we could use to gain an extra hotel night. Krista Orsack explained that we are looking for our strategic plan to let us know where we need to market. She added that the local hotels already have a relationship with those corporate connections. Jennifer Seifert-Brenna added that perhaps we need to work on training hotel staff to sell the City and not just their individual properties. Paul added that there are currently no images of Sioux Falls located around the Denny Sanford Premier Center...it's our opportunity for us to showcase our community.

Teri reviewed the 7/31/17 BID Financial statement by line item. She noted that BID Revenue is currently \$52,000 under budget so we are watching budget closely. Tom Morris moved to approve the financial report. Second by Paul Schiller. Unanimous approval.

BID Activity

Teri stated the CVB would be presenting the BID Budget for approval tonight at the 4:00pm City Council Briefing and the 7pm City Council meeting.

Teri noted the following recent activity:

- Sales Reports
 - 19 pieces of business have turned Definite; 11 of these are new to Sioux Falls.
 - 28 Leads have been sent.
 - 40 pieces of business are being worked as Tentative.
 - 10 pieces of business have been Lost (Reasons: No availability at SFCC; room rates; politics; SD associations – location & rotation)
 - 28 pieces of business have turned Assist (turned over to Servicing).
- The CVB has hosted 2 site visits and FAM's and will be hosting the RMI Mega FAM.
- Hosted 3 Travel Media groups in July.
- Sales travel included a Minneapolis Sales Blitz.
- Four of the CVB sales team traveled to Connect Marketplace in New Orleans in August.

- The CVB will attend the national softball bid in October.
- The CVB contacted 227 groups in June & July to see if we could assist them with their event.
- Attendance at the Falls Visitor Information Center was up 6800 people in August.
- Three summer Rest Stop Welcomes are complete.
- We will host the Pheasant Hunters Welcome at the airport in October.
- Pheasant Fest leadership is in town today and tomorrow preparing for the February event.
- We have been invited to attend the Governor's hunt this year. Three CVB staff will work the Pheasant Fest booth in Pierre.
- The PGA is seeking sponsors for their coming tournament and requested to meet.

Krista Orsack announced the CVB launched its new phone app on August 24th. This app is meant to enhance and promote cross-selling within the city. It will include a sweepstakes as well.

- Visitor Guide engagement is up 30% and includes online and physical.
- Social engagements are up 13.5%.
- The leisure target market audience is a 300-mile radius around Sioux Falls.
- We have run 20 different print placements since we last met.
- With final approval of the budget, we will plan our video strategy.
- We are currently updating the booking engine on our website as well.

Paul Schiller asked if we have done 1, 2 & 3-day trip planners for visitors? Also, what is our relationship with South Dakota Magazine? Krista replied that we have an itinerary builder on the website, and that we usually do one ad buy with South Dakota Magazine. Paul noted that we need to be conscious of the demographics and not to discount the older visitors as they are the ones predisposed to travel. Paul would like to see rack cards with 1, 2 & 3-day trips.

Other Business and Announcements

No other business or announcements.

Adjournment

Tom Morris moved to adjourn. Second by Scott Garrett. Unanimous approval. Meeting adjourned.

Respectfully submitted:

Name

Kathie Puthoff

Date

September 19, 2017