

Metro Tourism and Convention Commission

Minutes

June 28, 2017

Commissioners present: Howard Kittell, Sherry Franklin, Tonya Lewis, Fletcher Foster, Hank Locklin, Randy Miller

Staff present: Butch Spyridon, Andrea Arnold, Deana Ivey, Kay Witt, Marie Sueing, Jeff Mefford, Terry Clements

Meeting called to order by Chair Howard Kittell

No corrections or additions to the Minutes of the previous meeting were noted.

Motion to approve by Sherry Franklin, **Seconded** by Fletcher Foster; **unanimously approved.**

NCVC Financial Report

NCVC CFO Jeff Mefford reported:

2% of the 6% Hotel Occupancy Tax is what funds a majority of our contract. We went into this fiscal year anticipating that tax collections would be about flat with last year which would be a great place to be, highest in history. Of the \$60 million collected, we anticipated about \$20 million for this year's CVC budget. You will see the city is going to well surpass that number. You'll see in the Financial Report, we are using some of those additional funds to further our marketing efforts. The city's collections will well surpass our spending.

In looking at this financial report through 11 months of the fiscal year I will touch on a few of the highlights or areas where spending has deviated from the original budget. None of this will be new information, most of it has been shared in past meetings.

On line #15, Host City Commitments, that is where we are helping to host groups that are meeting in Nashville. Some groups we thought we would have to have financial support from the host hotels but we were able to fund it out of our funds. That has caused that line item to be up a little bit. In the Marketing area, a couple of items of note; on line #28, the advertising line, there is still a significant gap which we anticipate closing during the last month of the fiscal year. Primarily

this is due to the \$1 million contribution we make, along with the Event Marketing Fund, to the Nashville TV show for this season. That payment will close that gap and it is not as under budget as it might appear.

On line #34, Visual Tools, we are undertaking a follow-up documentary to our award winning first one, For the Love of Music. There was more to film this year, more stories to tell and more data to collect. That project is in the final stages but we didn't want to lose the opportunity to collect as much of that story as we could as we are doing the final filming.

Finally, on line #35, Event Production, as you have seen the July 4th and New Year's Eve events continue to grow, we took some opportunities to make them better this year than they would have been otherwise.

Question was asked if the item includes security. Yes, it is a growing part of the budget.

In summary, it has been a good financial year for the city and for the CVC and our abilities to promote the city.

Motion to approve Financial Report made by Randy Miller, **seconded** by Fletcher Foster.

NCVC Report

Butch called on Terry Clements who reported on April Hotel Occupancy Tax Collections. April collections were \$6,325,125. up 9.17% compared to last April. Year to date collections are \$54,722,191. up 12.53% compared to 11 months last year.

Smith Travel Research (STR) shows Davidson county hotels in May ran 80.5% occupancy, up 1.6% at an average rate of \$166.55, up 7.5%.

Marie reported that by the next Commission meeting demolition would be taking down the old Nashville Convention Center, site of the future National Museum of African American Music.

There will be a number of multicultural events this fall and we will get you the dates, beginning in August. These will include African Street Festival, John Merritt Classic and Hispanic Heritage Month.

Kay reported the Tourism Sales Department has exceeded all their goals and Convention Sales will also finish strong and hit their goals. We've just returned from a trade show in Washington D C. Deana and Laurel Bennett from our staff were in Australia for a week making sales and public relations calls. We will host International Motorcoach Association in August. The team will do a sales mission in Orlando. Reminder we will host 2,500 meeting planners with PCMA in January 7-10, 2018.

Deana reported further on the trip to New Zealand and Australia. During the day there were radio and TV interviews and at night there were tour operator and travel agent events. We took entertainer Damien Horn and they loved him.

The CVC team produced 12 Predator watch parties. Huge undertaking as each one got bigger. The exposure was amazing.

Next week we will produce the July 4th event. Sisterhood, featuring Rod Stewart's daughter will start the entertainment, Johnny P is fantastic R and B artist, Nitty Gritty Dirt Band and Chris Young. We expanded the campus with the main stage at 5th and Broadway. The Symphony and Barry Scott will be at Ascend Amphitheater and fireworks on the east bank of the river. Family Fun Zone will be in Walk of Fame Park. The fireworks will be the biggest show in the country.

For New Year's Eve, the Winter Olympics will bring a large display/activation to build interest in that event.

Butch reported discussions with Keith Urban to expand his role in NYE.

We will work with the Mayor's Office and a Council Task Force on the AIRBNB issue and possible legislation. AIRBNB booking for major events are up 25%. Our position is they need to be registered, safe and collect and pay taxes.

The CVC continues to work with airport officials to attract international air service.

For the August eclipse, we have purchased 40,000 viewing glasses and will close Broadway. Our feeling is the sun and Mother Nature are the event so we will not produce one. The event will be 2 PM on a Monday afternoon so we are concerned it could be cloudy or raining. We see a lot of reasons for risk so we are just going to enjoy whatever the sky presents.

Andrea reported the State Legislature considered 15 bills that were problematic and 14 of those died. The effort with Tennessee Thrives (more than 400 volunteer companies) was successful in citing the potential damage from some of the bills. The group will stay together for the future.

We are invested in the workforce issue. We host a career fair, the next one will be early fall.

Under other business, Howard appointed a nominating committee for the Chair position. The committee will consist of Randy Miller, Sherry Franklin and Leesa LeClaire. Their recommendation will be presented at the next meeting.

Butch said our goals for next year will be set next month, after this fiscal year ends. There will be a 1,500,000 room night goal booked by the CVC.

Meetings for next fiscal year will be in September, December, April and June with dates to be determined.

Motion to Adjourn