

RAPID CITY HOTEL  
**BUSINESS IMPROVEMENT DISTRICT**

**MINUTES FOR THE BOARD OF DIRECTORS MEETING**

THURSDAY, September 20, 2018

11:00 a.m. – 12:00 p.m.

Main Street Square Conference Room

**PRESENT**

***VOTING MEMBERS***

S. Hull  
G. Fawbush  
L. Steffens  
C. Thompson  
M. Gustafson

***NON-VOTING LIAISONS***

J. Jensen  
C. Johnson

**ABSENT**

***VOTING MEMBERS***

H. Christianson  
M. Lamphere

***NON-VOTING LIAISONS***

Mayor Allender  
D. Drew

***VRC STAFF:*** Carol Bancroft, Stacie Granum, Julie Jones Witcher, Samantha Linhart, Ally Formanek, Fran Henderson

**Call to Order**

G. Fawbush called the BID Board meeting to order at 11:01 a.m. in the Main Street Square Conference Room.

**Approval of Agenda**

S. Hull made a motion to approve the agenda as submitted. L. Steffens seconded the motion. Motion carried.

**Approval of Minutes**

L. Steffens made a motion to approve the July minutes as submitted. S. Hull seconded the motion. Motion carried.

**Financial Statements**

Steffens reported cash on hand balance of \$347,533. The Board Restricted Reserves remain constant at \$200,000. The CDARS and Board Unrestricted Reserves have increased due to interest accrual to \$126,713 and \$1,022 respectively.

Steffens reported BBB and BID Tax Receipts saw an increase through the month of July of .41% and .7% respectively. 102 additional rooms have since been added to the Hotel BID inventory due to the opening of the Staybridge Suites.

C. Bancroft shared Visit Rapid City Staff are working diligently on the Fiscal Year 2019 budget. A budget presentation will be made to the Board in October and City Council in November.

S. Hull made a motion to approve the August Financial Statements as submitted. C. Thompson seconded the motion. Motion carried.

## **Board Business**

### *Introduce New Board Member*

Fawbush introduced the Hotel BID Board's newest member, Casey Thompson. Casey is currently the Regional Manager for TKO Hotels and oversees 1 hotel in Rapid City (Holiday Inn Express I-90) and 3 in Alaska.

### *Rushmore Plaza Civic Center Advertising*

Steffens shared Liv Hospitality holds the exclusive advertising rights at the Rushmore Plaza Civic Center through August 2019. The Board wishes to see Rapid City hotels advertised in the facility versus Deadwood and Box Elder, as well as incorporating Visit Rapid City's Jack Rabbit booking engine into the Civic Center's website.

Historically, the Rapid City CVB paid the Civic Center to incorporate their booking engine, Black Hills Central Reservations, into their website.

Jensen agreed to coordinate a meeting including Craig Baltzer, Mayor Allender, and Hotel BID Board members.

### *Sutton Rodeo/Black Hills Stock Show Sponsorship*

Jensen reported \$5,000 was given in 2018 to Sutton Rodeo. \$12,500 was given in 2018 to the Black Hills Stock Show, assuming events extend a week prior to main event.

A discussion began regarding Visit Rapid City's sponsorship budget. Attendance has been steady, if not declining, over the past 10 years. Factors such as the agriculture economy and weather are always an issue. Attendance is not growing in spite of increased sponsorship dollars from Visit Rapid City.

M. Gustafson made a motion to sponsor \$5,000 for Sutton Rodeo in 2019 and \$10,000 for Black Hills Stock Show. L. Steffens seconded motion. Motion carried.

## **President's Report**

### *Introduce New Team Members*

With the addition of Samantha Linhart, Director of Sports & Event Sales, and Fran Henderson, Partnership Sales Representative, Jensen shared Visit Rapid City is now fully staffed.

### *Northland Hockey & Rocky Mountain Nationals Update*

The Northland Hockey Rushmore Cup will occur during the first 2 weekends in June 2019, with the Rocky Mountain Nationals wrestling event taking place the third weekend.

S. Linhart shared Rocky Mountain Nationals is requesting sponsorship funds from Visit Rapid City. The event will bring in approximately 500 total room nights. The Board agreed the event would be better received during an off-season month, but doesn't want to pass up the opportunity to host a multi-year event.

S. Hull made a motion to sponsor \$1,000 for Rocky Mountain Nationals in 2019. L. Steffens seconded motion. Motion carried.

### *Fly Fishing Film with Hank Patterson*

Jensen shared Mayor Allender will be starring in a fly fishing film with host, Hank Patterson along Rapid Creek in Rapid City. The series airs around the world and it will be shown at the Elks Theater in February or

March 2019. Jensen reported Visit Rapid City contributed \$2,000 to the film.

#### *BH PowWow Efforts*

Jensen reported sponsors are still needed for dance prizes for the BH PowWow. Along with MOA and Rushmore Plaza Civic Center, Visit Rapid City is sponsoring a luncheon on October 5 at 11:00am for all event sponsors.

#### *Media Relations Efforts*

J. Whitcher reported 13 journalists will be in the area for the Buffalo Round Up FAM Tour on September 28. The journalists will be in Rapid City for 1.5 days. As a result of NJF's PR efforts, Rapid City has gained recent coverage from media outlets including Thrillist, Fodors, Orbitz, UPROXX, Today Show Online, MSN.com, and Budget Travel.

Whitcher shared a journalist will be attending the BH PowWow as a confirmed assignment to write an article.

#### *Marketing Efforts*

S. Granum reported the Fall Shoulder Campaign will conclude on September 30. The campaign consists of mainly digital efforts along with billboards in the Sioux Falls and Denver markets.

Influencer, Chelsea Kauai, was recently in Rapid City. Chelsea has approximately 600,000 followers on Instagram. Granum will share analytics once received.

Granum shared Visit Rapid City will host the Amazing Rush Season 4 in May 2019. The campaign launched September 15 and qualified leads have already been received. VRC's meeting and convention department is also soon launching a statewide campaign targeting locals to "Bring Your Convention Home."

Visit Rapid City's travel professional campaign launched in July and will run through October. 113 qualified lead have already been submitted.

Granum reported Visit Rapid City joined Google's DMO Partnership Program. The partnership allows for more control over Google presence.

#### **City Council Liaison Report**

No report.

#### **Budget Management Discussion**

J. Jensen presented a proposal to reallocate a portion of FY19 BID revenue to administrative costs for some of the marketing staff salaries. The rationale for this request is based on BID currently not paying VRC for any expenses to administer their account. It also is based on a minimal amount of the BBB revenue is allocated for sponsorships because VRC revenue is expended on 100% of the administrative costs. Whereas there are some events in which the BBB tax is favorably impacted while at the same time the event does not benefit the BID revenue because event lodging is outside the Hotel BID. Allocating a portion of the BID tax to administrative costs would allow for the BBB tax funding of sponsorships for these types of events.

Discussion ensued regarding the proposal. L. Steffens recommended rather than allocating a portion of the BID tax to administrative costs Jensen should look to the General Sales and Marketing expenses and determine if the expenses could be reallocated between the two revenue sources.

Jensen agreed to investigate this option and come back with a revised proposal to the board.

**2019 Board Officers**

Jensen reminded the board the determination of 2019 Board Officers would be an agenda item for the October board meeting.

**Adjournment**

There being no further business to come before the Board, C. Thompson moved to adjourn at 1:15 p.m. L. Steffens seconded the motion. Motion carried. Meeting adjourned.

Respectfully submitted,  
Ally Formanek, Manager of Finance & Operations  
Visit Rapid City