

RAPID CITY HOTEL
BUSINESS IMPROVEMENT DISTRICT

MINUTES FOR THE BOARD OF DIRECTORS MEETING

THURSDAY, October 18, 2018

11:00 a.m. – 12:00 p.m.

Main Street Square Conference Room

PRESENT

ABSENT

VOTING MEMBERS

H. Christianson

G. Fawbush

L. Steffens

C. Thompson

M. Gustafson

M. Lamphere

NON-VOTING LIAISONS

Mayor Allender

D. Drew

J. Jensen

VOTING MEMBERS

S. Hull

NON-VOTING LIAISONS

C. Johnson

VRC STAFF: Carol Bancroft, Stacie Granum, Ally Formanek,

SPECIAL GUESTS: Craig Baltzer, Priscilla Dominguez, Rushmore Plaza Civic Center

Call to Order

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

Rushmore Plaza Civic Center Website/Advertising

C. Baltzer and P. Dominguez began with providing historical facts regarding the Rushmore Plaza Civic Center's advertising opportunities, including the launch date of 2008. Gotmine.com provided an advertising opportunity in 2012. Dominguez reported Liv Hospitality has been a partner of the Civic Center since 2009. In 2012, when the Hotel BID Board did not renew their contract, Liv Hospitality became an exclusive partner and gained the "Partner Hotels" button on Gotmine.com. Dominguez shared since 2016, Liv Hospitality's contract is priced at \$40,000/year.

J. Jensen shared the Hotel BID Board's concern regarding only Liv Hospitality properties being listed on the Civic Center's website. In 2016, the exclusive partnership was not rolled out with an official Request for Proposal, only offered to certain hotel properties located near the venue. In 2019, when Liv Hospitality's contract ends, a Request for Proposal will be sent out to all lodging properties. The RFP will be sent out in June 2019.

Visit Rapid City currently has a link to www.visitrapidcity.com on Gotmine.com. The suggestion was made to reroute the "Visiting Rapid City?" button to Visit Rapid City's Stay webpage instead of the home page. Board members agreed for Visit Rapid City's, S. Granum, to meet with Dominguez to agree on a solution.

Mayor Allender shared an influx of 507 hotel rooms will be opening in Rapid City in the near future.

Baltzer requested to be invited to a future Hotel BID Board meeting to share Rushmore Plaza Civic Center's new arena plans.

Approval of Minutes

C. Thompson made a motion to approve the September minutes as submitted. L. Steffens seconded the motion. Motion carried.

H. Christianson made a motion to approve the October 10 meeting minutes as submitted. C. Thompson seconded the motion. Motion carried.

Financial Statements

Steffens reported cash on hand balance of \$614,475. 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 \$1,107 respectively.

Visit Rapid City has received 74% revenue and expended 76% thus far in FY18, which is 75% complete.

Steffens reported BBB and BID Tax Receipts saw an increase through the month of September of .81% and .2% respectively.

H. Christianson made a motion to approve the September Financial Statements as submitted. M. Lamphere seconded the motion. Motion carried.

Board Business

Election of Officers

G. Fawbush made a motion to elect L. Steffens as Chairman beginning in 2019. H. Christianson seconded the motion. Motion carried.

G. Fawbush made a motion to elect H. Christianson as Treasurer and C. Thompson as Chairman Elect for 2019. M. Lamphere seconded the motion. Motion carried.

2019 Budget Discussion & Approval

Jensen began the budget discussion with review of how Visit Rapid City became their own legal entity in 2017, which included the approval of the VRC and Hotel BID Boards.

A discussion ensued regarding the proposal to reallocate a portion of FY19 BID revenue to administrative costs. 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.

The Board questioned specific account codes and FY19 budgets such as Destination Development, Community Relations, and Other Contract Services.

A decision was made for the BID Board members to meet with the VRC Finance and Executive Committees prior to the November Board meetings to discuss the FY19 budget.

City Council Liaison Report

D. Drew reported a parking policy change will be occurring in downtown Rapid City in the near future.

Jensen shared downtown motor coach parking has become an issue within the past weeks. A meeting will be conducted including Visit Rapid City, Destination Rapid City, and Megan Gould.

Adjournment

There being no further business to come before the Board, M. Lamphere moved to adjourn at 12:47 p.m. C. Thompson seconded the motion. Motion carried. Meeting adjourned.

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