

RAPID CITY HOTEL  
**BUSINESS IMPROVEMENT DISTRICT**

**MINUTES FOR THE BOARD OF DIRECTORS MEETING**

THURSDAY, April 26, 2018

11:00 a.m. – 12:00 p.m.

Journey Museum & Learning Center Board Room

**PRESENT**

***VOTING MEMBERS***

S. Hull  
H. Christianson  
G. Fawbush  
L. Steffens  
M. Gustafson

**ABSENT**

***VOTING MEMBERS***

C. Arceneaux  
M. Lamphere

***NON-VOTING LIAISONS***

B. Drury  
J. Jensen  
C. Johnson

***NON-VOTING LIAISONS***

Mayor Allender

***VRC STAFF:*** Carol Bancroft, Stacie Granum, Julie Whitcher, Tyson Steiger, Ally Formanek

***SPECIAL GUESTS:*** Helen Usera

**Call to Order**

G. Fawbush called the BID Board meeting to order at 11:02 a.m. in the Journey Museum & Learning Center Board Room.

**VRC & BID Board Co-Convene**

*Arena Campaign Update*

H. Usera distributed Vote Yes Rapid City yard signs and buttons to VRC and BID Board members. Contact Usera or Jensen for additional promotional items and volunteer opportunities at [helen@voteyesrapidcity.com](mailto:helen@voteyesrapidcity.com). Bags will be distributed to local businesses to encourage their employees to register to vote and to Vote Yes.

Usera shared an update on the Vote Yes Campaign including the target demographics and upcoming events. Food Truck Wednesdays will begin on May 2. Vote Yes Rapid City will have a booth at the YFS Kids Fair and the Harley Davidson Open House. S. Papendick commended the Vote Yes committee on their social media presence.

**Approval of Agenda**

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

**Approval of Minutes**

L. Steffens made a motion to approve the March minutes as submitted. H. Christianson seconded the motion. Motion carried.

## **Financial Statements**

L. Steffens reported cash on hand balance of \$490,837. The CDARS saw a slight increase due to interest, resulting in a balance of \$126,555. The Board Restricted Reserves remain constant at \$200,000. The Board Unrestricted Reserves amount to \$578.

Steffens reported BBB Tax income through February saw a 2.6% increase year-over-year, while BID Tax income during this same period saw a 7.3% increase. According to the STR report, Hotel Occupancy, ADR, and RevPAR saw a decrease through the month of March 2018. Board members agreed BID hotel occupancy saw a decrease in March 2018 due to several high school activities being held outside of Rapid City.

L. Steffens made a motion to approve the March Financial Statements as submitted. M. Gustafson seconded the motion. Motion carried.

## **Board Business**

### *LIV Hospitality Meeting with Box Elder*

Fawbush updated the Board on a meeting with LIV Hospitality and the Box Elder City Mayor. There are currently 3, soon to be 4, hotel properties in Box Elder. Fawbush shared 50% of the BID Tax collected in Box Elder is being allocated to building a new event center. According to C. Arceneaux, the City of Box Elder is not keen on the additional \$1.00 coming to Visit Rapid City in order for us to be their marketing arm.

A discussion began on how to proceed with the relationship between Visit Rapid City and the Box Elder hotel properties. Board members agreed to primarily focus on Rapid City hotel occupancy verse Box Elder hotel occupancy. Box Elder hotel properties will not receive leads from Visit Rapid City.

H. Christianson made a motion to end discussions regarding the relationship between Visit Rapid City and Box Elder hotel properties. M. Gustafson seconded the motion. Motion carried.

## **President's Report**

### *Inaugural Newsletter*

The Big News Bulletin, Visit Rapid City's first e-Newsletter, was sent on April 16. The newsletter highlighted VRC's marketing and sales efforts. S. Granum encouraged Board members to share their feedback.

Visit Rapid City is in partnership with a Sioux Falls based company, Lemonly, who specializes in infographics, for creation of the quarterly newsletter.

Christianson agreed to provide a list of absentee Rapid City hotel owners.

### *Sales Reports*

J. Jensen shared L. Beasley, Director of Tourism Sales, is currently attending the National Association of Sports Commissions convention. In the past months, Beasley traveled to tradeshow including American Bus Association, Active America China, and Rocky Mountain International Roundup to target travel trade. Beasley will attend International Powwow, the United States' largest travel trade show, in Denver, CO. J. Whitcher shared the Travel Professional campaign will kick-off in July, resulting in a FAM giveaway.

T. Steiger reported 47 leads have been sent to Rapid City BID hotels thus far in 2018. Steiger shared

upcoming conventions being hosted in Rapid City, including the Western Governors Association Annual Meeting. In the past months, Steiger traveled to tradeshows including Connect Chicago and Military Reunion Network to meet with meeting planners across the country. Steiger shared 310 individuals applied for the Amazing Rush Season 3, which begins on May 7, 2018. Amazing Rush winnings teams include individuals from the following organizations: Red Hat Society, Council of Administrators of Special Education and National Newspaper Association. Future marketing efforts will target locals to encourage them to bring their convention home.

#### *PR Update*

Whitcher reported on 2017 PR efforts in partnership with NJF. Rapid City and the Black Hills garnered 119 placements in 2017, which includes digital ads, print articles, and mentions. 119 placements resulted in 1.06 billion impressions, which have an ad value of \$8.89 million. Visit Rapid City had 16 editorial appointments and 6 individual press trips in 2017.

Whitcher shared coverage received thus far in 2018, including digital articles from National Geographic and Budget Travel. Rapid City was named as one of National Geographic's "Best Cities in the U.S. – Most Instagrammed" and Budget Travel's "Best Budget Destinations of the Midwest." Whitcher highlighted several future group and individual press trips.

#### *H2B Issue*

Jensen shared a discussion regarding the H2B cap placed by President Trump with South Dakota Senators Thune and Rounds and Congresswoman Noem during Destination Capitol Hill. Hull and Christianson shared they are no longer using the H2B program, but the J1 program for additional employees. Unfortunately, many communities in the Black Hills will not receive as many H2B workers as needed for the tourism season.

Jensen encouraged Board members to share any additional news on the topic.

#### *Upcoming Events*

Jensen informed the Board of Visit Rapid City's upcoming events, including Travel Rally Day and Hospitality Workshop. Travel Rally Day is again being held at Main Street Square on May 8 from 4-6 p.m. In attendance will be Secretary Jim Hagen, Mayor Allender, and Midwest Living Staff. The Black Hills Hero, Frontline Customer Service, and the Extra Mile Awards will be presented during this event. The recipient of the 2018 Black Hills Hero Award is the Black Hills Powwow.

The Hospitality Workshop is being held at the Rushmore Plaza Holiday Inn on May 24 from 10 a.m. – 12 p.m. Board members are encouraged to attend in lieu of the May Board meeting. The workshop will consist of a panel of customer service experts (Johnny Brockelsby, Susan Johnson, Tony DeMaro, Domico Rodriquez) sharing the good, the bad, and the ugly of customer service. If a Board meeting is necessary, the meeting will be held following the workshop.

The Visit Rapid City Visitor Information Center will open on May 29 at Main Street Square. Jensen shared any business collecting the BBB Tax or BID Tax can have their brochure displayed for free.

#### *Staff Changes*

Anne Orban, Social Media & Content Developer, has accepted a new position in Silverthorne, CO, and is no longer with Visit Rapid City. The new Social Media & Content Manager position will be filled in the near future. Interviews are currently taking place for the Director of Sports & Event Sales position.

### **City Council Liaison Report**

Drury shared the City Council voted to allow requests for proposals to advertise on approximately 75 city benches. The City of Rapid City is estimating revenue of \$12,000 from the endeavor. A discussion began regarding whether Visit Rapid City should submit a proposal for the project. Granum reminded the Board that VRC's marketing dollars are largely placed outside of Rapid City.

**Adjournment**

There being no further business to come before the Board, L. Steffens moved to adjourn at 12:42 p.m. S. Hull seconded the motion. Motion carried. Meeting adjourned.

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