

HAMILTON COUNTY VISITORS AND CONVENTION COMMISSION
37 E. Main Street, Carmel, Indiana
Minutes of the Meetings
Thursday, August 17, 2017

Attending the Meeting: Paul O'Connor, Donna Prather, Christian Renner, Bill Smythe, Andrea Huisden, Casey Wilson and Perry Williams.

Also attending:

Brenda Myers, President/CEO; Karen Radcliff, Vice President/CSO; Sarah Buckner, Executive Assistant/Tourism Gives Coordinator; Christine Altman, Counsel to the Tourism Commission.

I. Welcome

President Paul O'Connor opened the regular meeting at 5:45 p.m.

II. Minutes of the May 2017 Meeting

The minutes of the May 2017 minutes had been distributed electronically for review. There were no proposed changes. Perry Williams moved to accept the minutes; Donna Prather seconded. Motion passed.

III. Metrics & Finances

Brenda Myers then presented current financial metrics:

A. Tax Collections Reports

- B. Myers updated the overview of this year's forecast tax receipts, basing them on the Tourism Economics forecast of 6% increase overall in revenue. The current "worst case scenario" means HCT would be off \$105,000 from budget, but with four months of collections remaining, this scenario is more and more unlikely.
- In fact, *with the carryover from 2016*, tax collections are trending about 5% over appropriations, even with a hotel sporadically paying.
- Overall tax collections through the August deposit (June collections) is \$3,078,599 gross before debt service against a goal of \$2,950,000 (with the 2016 carryover included in that total).

B. Occupancy Reports

Through June 2017

- Demand up 10.1% against 13% more rooms available
- Occupancy down 2.6% to at 66.6% with the additional inventory
- ADR up 3.3% despite the occupancy decrease to \$117.12
- Revenue up 13.8%

June was a record-breaking month with 80.9% occupancy, \$129.58 ADR and \$104.82 RevPAR. 11.4% more rooms were sold against the monthly inventory increase of 6.4%. For the running 12 months, weekday demand up 6.3% and weekend demand up 13.7%. Overall supply up 12.1%.

C. Commission Financials

INCOME

- HCT is drawing down per the contract amount per month, which sometimes leaves revenue at the Tourism Commission Level
- 66% of the way through the year and at 64.4% in actual revenue

EXPENSES

- Expenses have been minor – meals, legal counsel and preparation of financial statement for the Auditor's office

D. HCT 2017 Budget

Copies of the Profit and Loss statements (unreconciled) through July were presented along with balance sheets. Marketing – 42% committed; sales – 69% committed; community development – 68% committed; and, operations in line as well. Overall, the bureau is 58% spent through the year and right on target for expenses.

Christian Renner moved that the financial reports be accepted as presented. P. Williams seconded. Motion passed.

IV. Old Business

A. Kincaid House Update

B. Myers presented updates on the Nickel Plate Art's Kincaid House project. There is someone interested in acquiring the house, but we are still waiting to hear from the company that purchased the 19 acres to the south of the property as to their interest. She noted that she is working through neighbor Navient to discuss with the owner/builder of the business adjacent to the Nickel Plate property.

B. HCT Building Update

Karen Radcliff updated the group on the proposed new office build. New scenarios for chosen building site being offered up given constraints in the market for lending to us as a condominium. The developer has proposed alternative scenarios:

Scenario 1: Lease the building (10,000 or 12,000 square feet) rather than buy; serve as a regular office tenant and likely pay market rate or slightly below as an anchor tenant with a long-term lease.

Scenario 2: Mission is still considered valuable by the developer – but as a lease. HCT would hold the top floor at 10,000 square feet; “Grow Hamilton County” mission-based entities plus workspace sharing companies working toward community goals would hold the second floor; we would not own as much common area (might share large meeting room, for example) and work in a collaborative environment. Public-private mentoring would take place, etc.

Other options for consideration also might include:

- 1) Re-explore ideas a non-profit partnership, if are already delaying the project, sell building and rent interim short-term space and see what emerges for other possibilities
- 2) Re-explore this new lease-only option in the context of other lease-only options (e.g. Blue Sky) that might be available earlier, or wait for this collaborative space to emerge
- 3) Challenging and would have to be more vertical, but re-explore I-69 option on property already owned (2.75 acres)
- 4) Other?

Developer is getting us the financial scenario for this but noted that costs for 10,000 and 12,000 square feet of space would be presented, but perhaps at a higher price per square foot. The HCT Board agreed if the price range was within the guidelines earlier established by the Board, if a contract was presented and reviewed by legal counsel, it could still be approved as previously directed. But if the price was much higher, the Board would need to review the proposal. More to follow this Fall.

D. Percent for Progress Program Follow-Up – B. Myers asked that this discussion be delayed until the 2018 budget workshop meeting.

D. Attorney Request for Qualifications – B. Myers asked that this discussion be tabled, and that the RFQ will be issued in time for the November Tourism Commission.

V. New Business

A. Ordinance Change Request

B. Myers noted that the ordinance for the county is somewhat out-of-date. Commissioner Altman said that the ordinance was compliant with the 2010 Census and no changes would technically be needed until 2020 Census as the statute accounts for the ten-year census. The review was deferred to the Executive Committee to determine what to do. The goal would be to clean up the language in 2018 in time for adoption by the County Commissioners in 2019 and ready for the results of the 2020 census. The action was deferred then until a later date.

Bill Smythe moved that the meeting be adjourned at 7:01 p.m. C. Renner seconded. Motion passed.