



**Sioux Falls Convention & Visitors Bureau  
 BID Board of Directors  
 Minutes  
 March 21, 2012  
 Sioux Falls Convention & Visitors Bureau Board Room**

<b>Presiding:</b>	Lee Howell, Vice-Chair
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<b>Voting Members Present:</b>	Reid Christopherson Karen Masterson Mike Miller	Shailesh Patel Mark Wahlstrom
<b>Voting Members Absent:</b>	Sara Bogdanov Jan Grunewaldt	Chrissy Spoo
<b>Non-Voting Members Present:</b>	Jim Entenman	Teri Schmidt
<b>Non-Voting Members Absent:</b>		
<b>Others Present:</b>	Kenny Anderson, Jr. Mike Cooper	Kathie Puthoff

**Welcome and Introductions**

The meeting was called to order by Lee Howell, Vice-Chair. Lee extended welcome to all and recognized City Council member Kenny Anderson, Jr.

**Agenda**

Mark Wahlstrom moved to approve the regular agenda. Reid Christopherson seconded. Unanimous.

**Minutes**

Mike Miller moved to approve the minutes of the December 21, 2011 and February 21, 2012 BID Board meetings. Karen Masterson seconded. Unanimous.

**BID Financial Report**

Teri Schmidt reported that the financials show a small drop in BID income since September 2011 and reviewed the monthly receipt amounts. Teri noted that from conversations with the hotels, this is not a surprise. Also, according to the hotels, things are looking good going into summer. We are watching things closely and 2013 looks good per bookings, so hope to have a strong year.

Teri recapped the room tax by months comparing Fall/Winter 2011 to Fall/Winter 2012.

Teri reminded that Reid Christopherson was voted on to the BID Board and is now a voting member.

Teri gave an overview of the Financial Report noting the following:

- BID Revenue & Administration costs—reminder that we give the City 1% of BID collections as an administrative fee.
- Digital Strategy \$10,503— spending money now on website due to the fact it was not yet developed last year, so we rolled that amount into this year.
- Event ads \$1355—Teri itemized the ads that were included.
- Newspaper—costs forthcoming.
- Sports Publications -- \$4336.
- Trade Pubs \$10,642 this month, \$70,000 YTD thus far. We're focusing on conventions and meetings markets with emphasis on relaying information about the new Events Center.
- Web \$146 – Cost for on-line Buyers Guide, and Pro-Reader service which is a PDF viewer for the website.
- Miscellaneous \$840 – For an ad in Sioux Falls Business Magazine. YTD \$18,327 – these are monies spent to introduce us into markets that we haven't been in before.
- Printing \$5500 this month, \$22,000 YTD—the majority of \$22,000 is for our billboards. We did have 2 billboards previously and now we have billboards in Sioux Falls, Brandon, Rapid City, Watertown, Worthington, and Mitchell. Shailesh Patel suggested putting a billboard before Worthington, rather between Freemont and Worthington as currently, there is nothing from Albert Lea to Worthington. Teri said the CVB will look into that.
- SD – Marketing & Promo--Non-bid hosting- \$0.
- SD – Marketing & Promo – Miscellaneous \$280 YTD – food for the CVB Social.
- SD Travel—Bid Trips YTD \$2217 – expenses for sending two staff to Pheasant Fest. We've had people asking if it is true that Pheasant Fest is interested in coming to Sioux Falls and Teri has confirmed it is true. We had positive response working Pheasant Fest and will continue to attend the show. We are also trying to get their board meeting booked in Sioux Falls.
- Governor's Tourism Conference YTD \$1601-- expenses for three staff to attend conference.
- Professional Conf \$1800 – expenses related to CSPI.
- Site Visits/Blitz/FAM – \$1973 YTD – expenses related to TMS site visit.
- Trade/Travel Shows \$6240 – includes expenses for some shows already attended and some costs associated with travel in the near future: NTA, Collaborate, Pheasant Fest, Holiday Showcase, ASAE, ABA, DMAI, RCMA, and BankTravel.
- Travel Miscellaneous \$1139 YTD -- Savor the Season – the CVB staffed a Sioux Falls table at the Mall of America for 2 days during the Holiday season.
- Karen Masterson asked if we track who has contacted us back, ROI? Teri said that at the next meeting we will bring information showing that information. Shailesh asked how many times do you go to a show before you strike out? Teri said three times. Normally the first time attending a show you are establishing presence. The second year you really work the show, and the third year we hope to book business and take a close look and see how well the show is working for us.
- SD Bidding – Incentives--\$2500 Clay pigeon throwers that were given away at Pheasant Fest. These were a hot item at the show. YTD \$8802 includes a \$2400 sponsorship for TMS which was part of the proposal. There was also a \$3000 sponsorship for the Airshow. Another promotion we did for Destination Showcase was known as "Serve Up" Hospitality and we gave away a Red Kitchen-Aid Mixer. The only people who qualify for the giveaway were those that put a RFP in hand at the show.
- Sports Bidding--\$7100 Includes a \$5000 sponsorship to the MS Society for their MS Bike Ride. We haven't yet paid the \$10,000 to Summit League—Mike Sullivan is getting us an invoice.

- Target Market Luncheon—\$0 thus far, however, we are hosting one next week. At these luncheons, we target certain businesses, present our “song and dance” and then ask the attendees for leads.
- Bidding Misc \$52
- Tourism Promo & Advertising:
  - Travel Publications—we have spent \$24,511 all in travel publication advertising. We invested \$19,000 in women’s magazines that will run in Chicago, Milwaukee and St. Louis metro. This also includes advertising in the 2012 Spring Vacation Guide.
  - New Opportunities--includes amounts from the \$25 Reward Card promotion that we ran during the shoulder season “Sioux Falls Pays” campaign. Also Courier Magazine which we have not had the opportunity to do in the past.
  - Regional Newspapers--includes advertising promotions for the Stay & Pay promotion and the Ag Day promotion ad.
  - Regional TV--\$6800—again with the BID, we have had opportunity to do TV advertising that we have not been able to do in the past. We targeted regional cities such as Omaha, NE; Rochester, MN; Albert Lea, MN; Fargo, ND; Sioux City, IA.
  - Reststop FAM—no expenses for this category yet.
  - South Dakota Tourism Coops--Giant Step Coop, Macy’s Day Parade, Travel Show Coops to Kansas City, Minneapolis and St. Louis.
  - Southeast South Dakota Tourism Association (SSDTA) Coops—South Dakota Vacation Guide, Simply South Dakota regional guide and Adventure Map.
  - Visitor Guide deliveries and mileage for distributing guides about \$400 YTD...this save many hours of staff time.
  - Visitor Centers – \$585 YTD to purchase rack space at area information centers.

Mark Wahlstrom asked why there is \$55,000 in BID Revenue when the budgeted amount is \$125,000? Teri reviewed the difference in Chamber of Commerce’s financial year and City of Sioux Falls financial year as well as the lag time in receiving collected BID funds.

Shailesh Patel spoke about the meeting in Pierre yesterday regarding the hosting of tournaments at the new Events Center in future years. Jim Entenman explained the process of looking at the transition to 2015 for wrestling and 2016 for basketball. Teri Schmidt added that this is a financial decision for Wayne Carney and the South Dakota High School Activities Association (SDHSAA). Teri added that Wayne is trying to make a business decision and is looking at what is happening in surrounding states. Mark Wahlstrom added that this is about making money for the schools...not for the city.

Teri stated that there will be a coaches meeting in April in Spearfish—apparently there will be lobbying done at this meeting. They mentioned in yesterday’s meeting that maybe they should begin bidding tournaments. Shailesh asked if there is something we should be doing? Teri said perhaps we need to do a campaign...if we need to, we can, so she will talk to Wayne Carney and see if we should. Most of the CVB staff will be out of town at the time of that meeting. No vote was taken at the end of the Pierre meeting to see what should happen next.

Reid Christopherson made a motion to approve the financials. Mark Wahlstrom seconded the motion. Unanimous. Motion Carried.

### **Review BID Activity**

Teri gave the following updates:

- Copies of advertising and marketing materials are available today for anyone that would like to review. (Rather than going through each item.)
- Annual Luncheon invites are going out next week...hope you can attend.
- Each of you received one of the new 2012-2013 Visitor Guides today...they just arrived a few days ago.

- We currently have an electronic billboard at 41<sup>st</sup> & Louise with a “Cheer Loud” message that will run during the state tournament.
- An Ag appreciation ad ran in 41 newspapers across the state in celebration of National Ag Week.
- There will be a City Council Candidate Forum tomorrow at the regular monthly CVB Council meeting.
- At the last meeting we talked about the STR Report and checking in to options in the International markets. We are moving ahead with that. After our last discussion, Southeast South Dakota Tourism Association (SSDTA) sent us 156 VG requests from India in response to an email blast we sent out. We will have a plan for international marketing soon. Shailesh commented that Brazil is a big market right now.
- At our last meeting we also said we would check into partnering with South Dakota Tourism on PowWow. We put in a request 4 weeks ago but haven’t heard anything else yet.
- The airport renovations scheduled for this summer are causing further problems with TMS (Travel Media Showcase). We were going to work with the Sioux City airport to bring these people in, however, they now only have two flights. So we now need to work with Omaha. We shall need to “spin” the bus ride and “host” this group. Karen Masterson noted that the same weekend the Sheraton has the Midland National Life people scheduled to arrive and they are upset as well.
- Mark Wahlstrom requested that we email out airport closing dates to the BID Board.
- The Empire Mall has been sold and is under new management. The CVB has a 2-year old Visitor Information Center in the Mall that we invested \$20,000 to renovate. They gave us a 30 day notice and will board up the VIC. They have offered us a 4’ x 8’ table in front of Halberstadt’s as an alternative space. It would be unstaffed but would be used for literature. This is not going to work. We currently pay \$7500 per year for the space and the mall staffs it. Please keep this confidential at this point. We’ve heard they want to install a sushi bar at that location. The CVB is currently getting quotes on touch screen kiosks and is looking for alternate VIC locations. Potentially Scheels, J & L Harley-Davidson, Empire Mall and Airport. Shailesh suggested Best Buy. Teri noted that ideally we would be looking for a corporate partner. Teri added that we are disappointed with the whole situation as this was a great partnership with the Empire Mall, developed with Don McLaughlin and Chrissy Spoo some time ago. Teri reminded Mall management that we worked to get signage on the interstate for the VIC in the Mall when it was installed and this will all come down, yet the management doesn’t seem to be bothered by this.
- South Dakota Tourism Coops—the CVB has put together a campaign with a total cost of \$219,000 and we are asking South Dakota Tourism for half of that cost.
- Teri reminded that last month we came to the BID Board with a situation involving the \$25 gift card promotion. You initially approved 500 Reward Cards and with the overwhelming response approved an additional 500 Reward Cards. At this point an additional 327 requests have come in. Some don’t qualify, however, 236 would qualify and we don’t have enough Reward Cards to fulfill these requests. We are receiving very negative mail. The campaign ran December 1<sup>st</sup> thru March 31<sup>st</sup>. We pulled advertising immediately when maximum was reached. We know now that we will specify a quantity next time. Jim Entenman asked Lee what he would do. Lee said he would pay for it. Jim suggested we do Sioux Falls bucks like what Watertown does. Other BID Board members agreed we should pay for it. Lee Howell suggested we cut off advertising sooner next time...at perhaps 70% saturation rate. Teri said, yes we did that. All board members agreed that we should fulfill the qualified requests. Teri recapped -- are you saying every qualified request that comes through till March 31<sup>st</sup> we should pay? Everybody agreed. Reid Christopherson made the motion to fulfill all requests that come through the valid dates of the program (March 31<sup>st</sup>). Mark Wahlstrom seconded the motion. Unanimous. We will send a new Visitor Guide with the Reward Cards. Shailesh recommended sending an RSVP card with it as well.
- Teri reported that she received a request from three members of the Parks & Recreation Board who would like us to pay for moving three carriages into the Horse Barn at Falls

Park, turning the lower level into display areas for carriages and upper level for static space. They also want us to pay \$30,000 per year to staff the Horse Barn. Bill Hoskins with the Siouxland Heritage Museums would do the rest...we would pay the bills. Shailesh stated that these efforts would not be putting heads-in-beds...we, therefore, can't do. Jim Entenman, Lee Howell and Mark Wahlstrom all voiced their opinion that we cannot staff it. Mark also added that he doesn't think this is the focus of the BID. Mark Wahlstrom made a motion to deny the request to pay for moving carriages into the Horse Barn at Falls Park and paying for staffing there. Karen Masterson seconded the motion. Unanimous. Motion carried.

- Teri explained the branding efforts of the Bring Your Meetings Home Campaign and trying to bring notice to this area.

### **Events Center Update**

Mike Cooper reported that an update on the Events Center was presented to City Council on March 12, 2012, and all of that information is available on-line. He did note that they are moving forward with the design elements. They will then move ahead and request bids for the project. They were able to sell some bonds at 3.21% interest so that is a good rate. They are working on proposals for naming rights as well. They are also working on the food and beverage process and on the development interest for the surrounding area.

Mike also noted that the Junior Football fields by the Sanford Sports Complex will be used this year. Near the Fieldhouse at the Pentagon and the Sanford Center there are plans for a hotel district. They also plan to utilize a TIF to generate property taxes to go back into the development of the area.

### **Other Business**

Mike Cooper said the City has been presented with a proposal for the new Hilton Garden Inn (that will be put in the location where the River Ramp will come down). The proposal was for a \$2.00 BID tax in that location, in addition to the CVB BID tax, to pay for developmental costs.

Mike added that amendment to the BID budget needs to be completed to approve the supplemental budget for additional funds generated by the BID. This needs to be approved by the City Council. Teri confirmed that this has not gone through the whole process yet.

Shailesh Patel stated that we should go after the wind turbine industry. There is no place around here for them to meet. Sioux Falls is the closest location. We could seek out their local cooperatives. No organized meetings happening in this area. Their local chapter meets regularly.

Lee Howell made a motion that the meeting be adjourned. Second by Mark Wahlstrom. Unanimous.

The next BID Board meeting is scheduled for Wednesday, June 20, 2012.

Respectfully submitted:

Kathie Puthoff  
Name

March 21, 2011  
Date