



Visit Bend Board of Directors Meeting Minutes March 17, 2020

Location: Bend Visitor and Convention Bureau

Present: Kevney Dugan, Nate Wyeth, Tawna Fenske, Kelli Carrow, Laurel Hunter, Noelle Fredland, John McLeod, Alan Dietrich

Call-In: Matt Williams, Erick Trachsel, Michelle Mercer, Diana Spring, Todd Montgomery, Jason Lusk, Kelli Neumann

Call-In Guests: Bevan Nicolaisen, Barbara Timms, Meredith Lodging, Suzanne Roig, Dave Nissen + staff, Carolyn Eagan, Bobby Evers, Scott Greenstone, Carrie Ramoz, Julia Theisen, Dirk

Call to Order

Chair Noelle Fredland called the meeting to order at 8:03 a.m.

Approval of Meeting Minutes

Motion for approval from Alan Dietrich for the January meeting minutes. John McLeod seconded. The minutes were unanimously approved.

Financial Report

Scott Greenstone presented the financial report, which does not yet show signs of the impact on tourism from the coronavirus. Revenue was down in February just a little bit based on previous months. YTD, we continue to track favorably against our budget. City funding is up 6.6% over budget. Retail sales not expected to true-up, but advertising should. Expenses will need to be re-evaluated as we see a decline in city funding revenue. Expenses are tracking nicely against budget for February.

In the month of February (month by month), current month lodging was over budget by 6%, but they were offset by prior TRT collections that were up (higher in FY 19 than they were in FY20).

The cash reserve is up through February, with just under \$300,000 that has been put into the "Rainy Day" fund. This fund represents 5% of TRT collections. Our overall cash peaked in November 2019 and we're starting to now spend that off to finish close to where we started (which is typical).

The Bend Cultural Tourism Fund revenue is about \$10,000 under budget YTD, which comes from grant expenses (tends to catch up at the end of the year).

Discussion: Noelle Fredland asked how people responded to Visit Bend's decision to pull back their media buy. Nate Wyeth explained that there wasn't any pushback and that the decision was supported. Kevney Dugan also mentioned those that didn't pull back received some backlash. Visit Bend is trying to be cognizant of where people are right now and the uncertainty of where the budget will be.

Tourism Industry Briefing

In terms of TRT, Kevney discussed that the month of January was up 7.5%, driven from hotel/motel/resort category in addition to AirBNB. December was up 4%. STR data for February has not been released yet, but a combination of AIRDNA for Jan/Feb shows booked listing nights were doubled. Initial indicators show that February was a strong lodging month.

COVID - 19

Communications Strategy: In response to the coronavirus, Visit Bend is continuously adapting their messaging and has reached out to stakeholders and the public as a resource for information. Visit Bend is sending out industry newsletters to provide industry support and best practices, as well as a consumer newsletter to provide up-to-date information on where Bend lies during this time. Visit Bend also created a coronavirus URL as a place to direct people to appropriate websites based on the information they're looking for. Visit Bend's goal is for people to see them as an authoritative figure for best practices. Visit Bend is discussing ways to support the community.

Discussion: What areas should we be focused on to best support local businesses? How do we prepare ourselves for recovering once this pandemic is over? Visit Bend is working on getting an understanding of where businesses are struggling most. Alan Dietrich suggested sticking to what businesses are experts on.

STR Call: Nate Wyeth participated in a 30-minute call that painted a picture as to how the hotel industry has been affected. The hotel industry was initially right on track with expected growth. Since COVID-19, occupancy rates show a slight rebound after approximately 6 weeks in China (about 80-90% of hotels are back online). Globally, the airport location demand has dropped dramatically. RevPAR change in U.S. hotels have seen steep declines everywhere. Group travel is largely affected, with hotels relying more heavily on group travel are seeing a bigger impact. There is a decline in both group RevPAR and transient RevPAR. The ADR rebound time illustrates it takes twice as long to recover from a decline, but there is opportunity in certain areas if businesses and destinations adjust with some flexibility. The assumption is out there that the recovery period for this event will be much quicker than past (very different) events.

Discussion: Will the amount of dollars spent make up for lag in time to recover? Many properties have had success pushing business sooner than originally planned (result of having some flexibility). John McLeod suggested that the timing is very specific and we'll likely be able to go back to doing business as usual sooner than later. Businesses are looking for direction on how to respond and take care of their employees. How do we support businesses who have had to lay off employees based on mandated closures?

Local stakeholder reports: In Oregon, some hotels are starting to close and restaurants are now restricted to pick-up or delivery service only. Businesses in the hotel and restaurant industry are having to make the difficult decision to lay off their employees.

Rainy Day fund: This fund could potentially be used to help Bend recover once this event has passed. Visit Bend has some authority to decide what we need to do to help support local businesses and ramp up advertising as needed.

Marketing strategy to aid recovery: Visit Bend is discussing ways to utilize their current budget to best implement a recovery plan once people start traveling again. Destinations similar to Bend will likely recover quicker based on drive-in traffic. Visit Bend is figuring out how to best support the community while we're in the midst of this pandemic and support those in Bend as they try to navigate changes, as well as after the event has passed. Visit Bend is continuously adjusting their current plan through social media, newsletters, website content, advertising, and stakeholder support.

Discussion: Julia from Visit Central Oregon mentioned there's no specific data regarding flights at RDM at this time. RDM will likely be impacted by recent restrictions as people are flying less. Julia suggested stakeholders meet in the near future to discuss potential ways to work together.

Board Roundtable

There was no board roundtable at this meeting.

Public Comment

Bobby Evers asked if the information from today's discussion will be on the Visit Bend coronavirus page. Nate Wyeth replied yes, Visit Bend will provide links to sites that obtain the current information and updates on the city of Bend and the state of Oregon. Visit Bend is open to assisting questions and directing people where necessary.

The meeting was adjourned at 9:31 a.m.

Notes by: Kelli Carrow, March 17, 2020