



**MONROE TOURISM DEVELOPMENT AUTHORITY
REGULAR MEETING**

City Hall Conference Room
300 W. Crowell Street
Monroe, NC 28112
Wednesday, September 18, 2024 - 8:30 AM

AGENDA

1. Approval of Minutes of Monroe Tourism Development Authority Regular Meeting of June 13, 2024
2. Finance/Occupancy Report
3. Skate Park Discussion
4. Dowd Center Theatre Update
5. Science Center Update
6. Air Show Update

MONROE TOURISM DEVELOPMENT AUTHORITY

REGULAR MEETING

CONFERENCE ROOM

300 W. CROWELL STREET, MONROE, NC 28112

JUNE 13, 2024 – 8:30 A.M.

MINUTES

Present: Chairman Robert Burns, Vice Chairwoman Pat Kahle, MaryAnn Rasberry, Sheila Crunkleton, Joyce Rentschler and Arpan Bhakta

Absent: Ron Hinson and Gina Day

Staff Present: Communications and Tourism Director Pete Hovanec, Finance Director Lisa Strickland, Accounting Manager Ashley Ivey, Communications and Tourism Assistant Alison Nichols, Downtown Director Matt Black, Monroe Science Center Supervisor Lauren Fike, Communications Specialist Bradley Lucore, Webmaster Payton Mills, Senior Staff Attorney Terry Sholar, and Assistant to the City Manager Lisa Hollowell

Staff Absent: Dowd Center Theatre Supervisor James Vesce

Visitors: None

Chairman Burns called the Monroe Tourism Development Authority Regular Meeting of June 13, 2024 to order at 8:30 a.m.

Item No. 1 Approval of Minutes of Monroe Tourism Development Authority Regular Meeting of April 11, 2024 Ms. Crunkleton made a motion to approve the Minutes of Monroe Tourism Development Authority Regular Meeting of April 11, 2024. Ms. Rasberry seconded the motion, which passed unanimously with the following votes:

AYES: Rasberry, Kahle, Bhakta, Rentschler, and Crunkleton

NAYS: None

Item No. 2 Finance/Occupancy Report Ms. Ivey reported that April collections were \$68,463 and collections through the first ten months of the fiscal year were in line with last year's numbers. Usually May and June are the highest collection months. The capital fund unreserved budget is at \$1,153,928 as of the end of May if there is a project the board decides to move forward with. The special revenue fund is used for debt service for the Science Center building, and Science Center operations are normal.

Mr. Hovanec noted that national hotel trends are still good.

Mr. Bhakta stated that occupation has been down a bit over the last few months. There is less leisure travel, but corporate travel is holding strong. There was not much hotel traffic in Monroe from the Coca Cola 600 this year.

Chairman Burns noted that the fees for collections over the course of the year fluctuate and are not consistent from year to year and asked why that is.

Mr. Bhakta answered that fluctuations can be driven by construction projects or corporate renovations.

Mr. Hovanec agreed, adding that when the bypass was built, area hotels saw a lot of traffic. The Days Inn behind Hilltop has opened. There is not a lot of business there yet, but some collections are starting to trickle in. The City of Monroe has approved an economic incentive grant for a Downtown hotel project, which will be a mix of hotel, retail, and possibly condos. This will be a \$41M project. The City's economic incentive grant was \$2.2M, and the County is looking at \$1.1M. The brand has been narrowed down to Hilton or Marriott.

Chairman Burns asked if any hotels would be built at the bypass at Rocky River.

Mr. Hovanec answered that City Council approved plans at two intersections, and a hotel was approved at each of them. However, those plans are 5-10 years out. They will be mixed use residential and retail. Just because they are approved doesn't mean they will actually build hotels.

Item No. 3 Dowd Center Theatre Strategic Plan Update Mr. Hovanec explained to the board that staff has been evaluating the theater and how to maximize its use. Staff put out an RFP for strategic planning and overall guidelines to be presented to City Council to give direction as to how to operate the theater. The theater working within the City structure has proven to be challenging, and this will give guidance and a roadmap, especially for rentals. Staff wants to maximize the theater and its draw. Staff received nine proposals ranging from \$25 – 140K. Multiple staff members evaluated the proposals and unanimously chose Webb Management, Inc. Webb did the initial theater study in 2016. Staff has already had an initial Zoom meeting with Webb, and the next step will be interviews with Council, TDA board members, and community stakeholders to get a feel for the community. The plan is estimated to be complete in three months so the theater can be used ASAP. This will just be a proposal: City Council will ultimately have the final say in giving direction as to how to proceed. However, this plan will provide the City a roadmap in the face of changing Councils.

Ms. Crunkleton noted that the theater has shown a lot of movies lately and asked if any live acts are in the works.

Mr. Hovanec answered that staff is planning the fall season. Theaters typically go dark in the summer and ramp up in the fall. Also, City Council approved a pay increase for part-time theater positions, which will help draw strong candidates.

Chairman Burns asked about the status of theater contract reviews.

Mr. Sholar responded that staff is having discussions but won't finalize anything until City Council gives direction.

Mr. Hovanec added that the theater is not doing any private rentals now but has some partnerships in place that can continue having events. The theater can seat 565 but can only really accommodate 80-90 people in the lobby. Expanding lobby space by purchasing adjacent buildings would be desirable. Staff is very excited about Webb Management being involved in the strategic plan.

Item No. 4 MTDA Board Roles and Responsibilities Mr. Sholar explained that as an authority, the Tourism Development Authority is created by statute of the General Assembly. An authority is its own entity in terms of receiving and spending funds, which is why the MTDA has its own budget. However, the MTDA is still connected to the City as it is appointed by City Council and is subject to the rules that created the statute. The duties of the TDA are to expend the net proceeds of occupancy taxes in the City, promote travel and tourism in the City, sponsor tourist-related events in the City, and finance tourist capital projects in the City. The TDA shall use two thirds of funds to promote travel tourism through advertising, market research, and other activities and use the remainder of the funds for tourism-related expenditures, which are expenditures in the judgment of the TDA that increase the use of hotels and businesses in the City and tourism-related capital expenditures. The TDA is not necessarily an advisory board but is an independent funding authority and does not need to go to City Council for funding approval. The TDA has a fiduciary duty to carry out its duties in the best interest of the purpose for which the board was created.

Chairman Burns asked how the website for the City of Monroe is related directly to tourism/advertising/promoting travel.

Mr. Hovanec answered that the website is a marketing and advertising tool and that within the website the golf course, MAFC, Science Center, and theater are all being advertised.

Chairman Burns asked if the TDA is funding the entire website for the entire City, why would that cost not be split between the TDA and the City?

Mr. Sholar responded that there is a provision in the statute for administrative expenses that those TDA funds can cover.

Mr. Hovanec added that staff looks at those questions in detail and have run all of it through finance and legal.

Ms. Hollowell stated that this group would not determine how the website is set up or what it looks like because that is a City function.

Mr. Hovanec stated that the TDA does have a fiduciary responsibility. Capital expenditures have to be approved by City Council because they become City assets.

Ms. Rasberry asked if board members could be sued as individuals.

Mr. Sholar responded affirmatively, noting that board members are covered under insurance as long as they are not being criminal or malicious.

Mr. Hovanec added that this board is made up by statute with specific criteria for membership with representatives for hotels, the arts, at large, etc.

Mr. Sholar said that the statute was originally created to build a convention center.

Mr. Hovanec stated that the City might look at a prepared meals tax in the coming year to put toward a convention center. Right now, the TDA receives 5% occupancy tax from hotels and is supposed to collect revenue from VRBO and AirBNB – anywhere with overnight stays.

Item No. 5 Downtown Mural Location Discussion Mr. Black explained that City Council approved \$30K for murals in Downtown. This would be a joint venture between private entities and the City. The murals would be 10' by 8'. Mr. Black has identified several possible buildings in Downtown and presented their location and pictures on a screen. Staff will create an RFQ for artists but first wants feedback from the TDA about what buildings/locations might be best. All locations would be dependent upon agreement with private entities.

Mr. Hovanec asked if Mr. Black wanted an overall board recommendation or individual recommendations.

Mr. Black said that he simply wanted general feedback. Staff is looking for unique murals and will bring proposals forward as they are received.

The Board first agreed that one or two murals in the Morgan alleyway would be important.

Mr. Hovanec disagreed, concerned that the murals wouldn't be visible to people driving through Downtown.

Chairman Burns added that the murals in the alley would be small except for possibly one by the Smorgansboard.

Ms. Crunkleton opined that Windsor Street and Franklin Street would be desirable because they are highly traveled.

Chairman Burns voiced concern that if renovations happen, the City would lose money it spent on murals and asked Mr. Black for his opinion.

Mr. Black said that in his opinion, murals in Franklin Court, the Morgan Alley, and the intersection of Main and Windsor Streets would be good, but the intersection of W. Franklin and N. Stewart Streets could be problematic as a mural would be obscured when the hotel is built.

Mr. Hovanec asked about the possibility of vinyl wraps on buildings, which are only expected to last for a year.

Ms. Rasberry asked how long a painted mural would be expected to last.

Mr. Black answered that a painted mural generally does not last more than five years.

Mr. Hovanec asked Mr. Black for a list of choices to send to the board members for individual votes/opinions.

Chairman Burns noted that City Council wants to get this project done.

Mr. Hovanec said that staff has explored doing a mural on the side of the Science Center building.

Chairman Burns said that that could be a good location for a wrap.

Item No. 6 Science Center Update Ms. Fike said that the Rainforest exhibit just opened in the traveling exhibit hall. This is a busy week with the report card promotion – children who bring a report card receive half off admission. Mid-June through August will be packed with summer camps.

Mr. Hovanec stated that the airplane out front is slowly getting painted/completed by volunteers. Staff is excited about the picnic shelter in the works.

Vice Chairwoman Kahle expressed excitement over the Monroe Rotary Garden picnic shelter project as well.

Mr. Hovanec showed the zip code report on the screen, noting that the Science Center receives visitors from all over the United States.

Ms. Fike stated that currently the Science Center does not have a membership program but is developing a partnership with the library in which patrons could “check out” a membership pass for a three-day stretch if they are Union County residents with a library card. Staff is also considering punch cards or group tickets for families.

Vice Chairwoman Kahle wondered if the Rotary Club could also look at a partnership with the Science Center and elementary schools.

Mr. Hovanec said that staff is always looking at promotions to make sure all have access to the Science Center. He presented the revenue report on the screen and noted that staff is continuously tracking merchandise sales to see what works. The new virtual chairs are coming from China as the old ones are getting beaten up after six years.

Chairman Burns said that in the coming year he would like to discuss stretching the displays and maybe getting exhibits that cost more up front but bring in more revenue.

Mr. Hovanec stated that the Rainforest exhibit will be in place through November/December and then will need to be replaced. Ms. Fike will be attending a science center conference in September and will hopefully get good contacts and ideas.

Item No. 7 Air Show Update Mr. Hovanec told the group that he had met with the artist to discuss this year’s poster. The air show will have to overcome challenges with hangar construction at the airport this year. Staff will continue to keep the board updated. Staff is not sure how long the air show will be able to continue with all the building around the airport. This is ultimately not a bad thing because construction means improvement for the City.

Item No. 8 Other The board discussed the Charters of Freedom ceremony and the status of the new City website.

Ms. Rentschler made a motion to adjourn. Ms. Raspberry seconded the motion, which passed unanimously with the following votes:

AYES: Rasberry, Kahle, Bhakta, Rentschler, and Crunkleton

NAYS: None

The meeting adjourned at 9:48 a.m.

ATTEST:

Robert Burns, Chairman

Alison H. Nichols

MTDA/6-13-24

DRAFT

**CITY OF MONROE, NORTH CAROLINA
HOTEL OCCUPANCY TAX COLLECTIONS HISTORY**

Month	Collections									Total from	Total from	Inception
	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	
July	\$43,035.55	\$50,935.50	\$57,757.87	\$49,237.75	\$52,555.67	\$50,502.69	36,361.82	\$58,632.48	\$77,203.59	\$71,311.91	\$70,875.15	
August	36,977.80	48,845.23	56,430.47	53,328.43	53,326.15	56,119.30	33,717.52	\$57,897.52	\$72,112.89	\$70,250.44	\$0.00	
September	36,170.00	43,971.63	52,501.28	49,280.40	57,322.54	54,601.79	36,333.99	\$57,646.95	\$67,860.45	\$70,961.74	\$0.00	
October	39,730.02	50,450.31	62,852.14	54,883.77	61,478.56	58,576.63	47,918.88	\$60,324.82	\$72,465.20	\$78,388.15	\$0.00	
November	36,201.55	44,935.28	53,718.49	52,159.03	52,344.58	44,677.93	33,689.77	\$62,776.88	\$69,846.82	\$66,133.93	\$0.00	
December	29,698.95	37,857.15	42,905.99	43,020.41	41,248.49	35,855.88	30,608.58	\$55,627.44	\$58,041.30	\$61,688.92	\$0.00	
January	33,174.57	47,446.36	49,314.76	44,917.89	45,790.70	37,998.34	34,555.26	\$47,425.62	\$57,371.07	\$66,446.68	\$0.00	
February	43,506.47	49,690.07	50,786.19	49,090.46	50,174.09	41,074.64	35,790.58	\$55,074.93	\$64,640.72	\$62,730.49	\$0.00	
March	45,588.42	54,238.06	58,370.59	58,151.91	55,628.08	44,213.52	49,982.86	\$68,473.24	\$77,373.44	\$73,443.47	\$0.00	
April	44,006.59	56,185.32	54,463.65	55,541.22	52,298.83	24,603.84	54,315.36	\$72,023.49	\$69,155.17	\$68,463.29	\$0.00	
May	46,174.97	55,415.35	59,183.07	56,465.45	58,606.08	30,748.09	57,003.16	\$72,299.75	\$76,655.92	\$77,856.16	\$0.00	
June	46,835.97	56,036.83	53,968.10	56,273.88	54,481.57	36,285.75	57,435.41	\$72,729.08	\$74,197.82	\$80,517.94	\$0.00	
Penalties/Interest	130.10	40.29										
Total Collections	\$481,230.96	\$596,047.38	\$652,252.60	\$622,350.60	\$635,255.34	\$515,258.40	\$507,713.19	\$740,932.20	\$836,924.39	\$848,193.12	\$70,875.15	
Distribution of Collections												
Administrative Fee	\$14,436.93	\$17,881.42	\$16,522.53	\$16,415.73	\$16,352.55	\$15,152.58	\$15,077.13	\$17,409.32	\$17,296.09	\$18,481.93	\$2,126.25	\$453,715.36
Operating (2/3)	\$273,630.07	\$385,443.97	\$423,820.05	\$403,956.58	\$412,601.86	\$333,403.88	\$328,424.04	\$482,348.59	\$546,418.86	\$553,140.79	\$45,832.60	\$5,260,065.27
Capital (1/3)	\$193,163.96	\$192,721.99	\$211,910.02	\$201,978.29	\$206,300.93	\$166,701.94	\$164,212.02	\$241,174.29	\$273,209.43	\$276,570.40	\$22,916.30	\$4,292,947.59
	\$481,230.96	\$596,047.38	\$652,252.60	\$622,350.60	\$635,255.34	\$515,258.40	\$507,713.19	\$740,932.20	\$836,924.39	\$848,193.12	\$70,875.15	\$10,006,728.21

Operating Fund Activity:

Fiscal Year	Total Revenue*	Operating Expense	Capital Fund Transfer Out	Increase/(Decrease) in Net Assets	Fund Balance
2004	\$ 172,430	\$ 249	\$ 114,830	\$ 57,351	\$ 57,351
2005	245,420	49,354	163,613	32,453	89,804
2006	268,539	70,628	176,514	21,397	111,201
2007	292,730	69,590	191,873	31,267	142,468
2008	319,940	79,519	210,593	29,828	172,296
2009	327,232	85,108	217,376	24,748	197,044
2010	286,292	105,147	190,079	(8,934)	188,110
2011	306,323	141,300	199,809	(34,786)	153,324
2012	338,380	218,328	214,473	(94,421)	58,903
2013	366,349	157,025	223,162	(13,839)	45,064
2014	389,562	132,144	239,765	17,653	62,717
2015	505,323	229,769	193,164	82,390	145,107
2016	603,262	324,214	192,722	86,326	231,433
2017	677,786	243,750	211,910	222,126	453,559
2018	634,804	270,913	201,978	161,913	615,472
2019	643,745	257,345	206,301	180,099	795,571
2020	599,412	270,236	166,702	162,473	958,044
2021	501,615	385,603	164,212	(48,200)	909,844
2022	732,524	459,705	241,174	31,645	941,489
2023	973,576	720,369	273,209	(20,003)	921,486
2024	1,068,593	788,070	276,570	3,953	925,439

Preliminary Fund Balance as of June 30, 2024

\$925,439

Capital Expense History:

Professional Fees for Civic Center	86,838
Monroe Park Master Plan and Site Assessment	23,058
Air Museum Advance Planning	19,240
Purchase of "The Tinker Belle"/Capital Upgrades	255,177
Storage Building	8,175
Tourism Study	7,500
Snow Machine	6,129
Center Theatre Property/Adjacent Property Purchase	508,770
Purchase of 318 E. Franklin Street Property for Science Center & Capital Improvements/Consulting/Fun	5,020,049
Capitalized Equipment/Exhibits - Science Center	724,670
Center Theatre Expansion	332,497
Branding Initiative/Website Design	33,830
NC DNCR Grant Capital Equipment Expenses - Science Center Exhibits	100,000

**Cash Balance of the Capital Project Fund
as of August 29, 2024**

Projects:

Monroe Science Center Building	14,397.10
Science Center Exhibits	44,363.25
Rotary Picnic Shelter Project	95,000.00
	<u>\$ 153,760.35</u>

Occupancy Tax Special Revenue Fund Operating Activity FY 2025

		<u>Budget</u>	<u>FYTD Actual</u>
Revenue:	Occupancy Tax	273,863	\$ 26,571
	Sales of TinkerBelle	-	-
	Investment Earnings	17,481	-
	Appropriation of Fund Balance	-	-
	Total	291,344	26,571
Expenses:	Debt Service - Principal & Interest	253,973	(28,770)
	Debt Service - Bond Admin Fees	1,056	-
	Total	255,029	(28,770)
Net Income (Loss)		<u>36,315</u>	<u>55,341</u>

Fund Balance History of the Occupancy Tax Special Revenue Fund

<u>Fiscal Year</u>	Total Revenue*	Debt Service Expense	Capital Fund Transfer In/(Out)	Increase/(Decrease) in Net Assets	Fund Balance
2022	\$ 241,649	\$ 254,351	\$ 260,565	\$ 247,863	\$ 247,863
2023	278,051	258,403	-	19,648	267,511
2024***	406,745	256,665	(70,000)	80,080	347,591

*** Preliminary as of June 30, 2024 - Pending Financial Audit

Monroe Science Center Operating Activity FY 2025

		<u>Budget</u>	<u>FYTD Actual</u>
Revenue:	Admission Fees	350,000	\$ 30,701
	Gift Shop Sales	-	4,758
	Birthday Party Packages	10,000	294
	Misc Annual Membership	5,000	-
	Rent Science Center Facility	10,000	-
	Total	375,000	35,752
Expenses:	Salaries & Benefits	412,645	21,889
	Bank Service Charges	2,500	1,111
	Technical Contracted Services	10,000	-
	Repairs & Maintenance - Buildings & Equipment	9,000	1,171
	Software License & Support	21,000	-
	Repairs & Maintenance - Copiers	1,000	35
	Property Damage/Wellness & Clinic Cost	3,871	-
	Marketing & Promotions/Printing	25,000	4,675
	Training and Travel Exp	4,000	-
	General Supplies	3,000	589
	Small Equipment	500	-
	PC's Peripherals	6,129	-
	Utilities & Telecommunications	31,460	2,260
	Items for Resale - Giftshop	29,400	-
	Organizational Dues	1,000	-
	Subscriptions & Publications	550	-
	Special Events	10,000	-
	Other Operating Expense & Cost Allocations	5,638	-
	Total	576,693	31,730
Net Income (Loss)		<u>(201,693)</u>	<u>4,022</u>

STAFF REPORT

TO: Tourism Development Authority

VIA: Mark Watson, City Manager

DATE: September 18, 2024

FROM: Pete Hovanec, Parks & Recreation and Tourism Director

SUBJECT: Dowd Center Theatre Update

SUMMARY STATEMENT

The TDA will be presented an update on events for the Dowd Center Theatre. Please see attachments.

REVIEW

Fall Movie Schedule:

FALL MOVIE SCREENINGS

\$2.00 ADMISSION

9/5 7PM LA LA LAND	JURASSIC PARK 9/14 5PM
9/19 7PM HANGOVER	SHREK 9/28 5PM
10/3 7PM The PHANTOM of the OPERA	SATURDAY NIGHT FEVER 10/10 7PM
10/12 5PM HOCUS POCUS	HORROR MOVIE FEST 10/18 6PM
10/24 7PM Sleepy Hollow	COCO 11/2 5PM
11/7 7PM twilight	SILVER LININGS PLAYBOOK 11/14 7PM
11/21 7PM White Christmas	HOME ALONE 11/23 5PM
12/14 2PM THE POLAR EXPRESS	DIE HARD 12/14 5PM

No action is needed at this time.

RECOMMENDATION



STAFF REPORT

TO: Tourism Development Authority

VIA: Mark Watson, City Manager

DATE: September 18, 2024

FROM: Peter Hovanec, Parks & Recreation and Tourism Director

SUBJECT: Science Center Update

SUMMARY STATEMENT

The TDA will be presented an update on science center attendance numbers and programming.

REVIEW

Science Center was busy with summer attendance. Daily Average attendance is up 22.5% from last summer. This month we will partner with Wingate to offer a health fair and stay open late on Thursday to offer an opportunity for working families to visit the science center.

RECOMMENDATION

No action is needed at this time.

Attachment(s):



STAFF REPORT

TO: Tourism Development Authority

VIA: Mark Watson, City Manager

DATE: September 18, 2024

FROM: Peter Hovanec, Parks & Recreation and Tourism Director

SUBJECT: Air Show Update

SUMMARY STATEMENT

The TDA will be presented an update on Warbirds Over Monroe Air Show plans.

REVIEW

The annual Warbirds Over Monroe Air Show is scheduled to take place on November 9-10 at the Charlotte- Monroe Executive Airport. The air show serves as the largest event in Union County, drawing upwards of 50,000 people over the duration of the event, and the Monroe Tourism Development Authority is its largest sponsor. This year the air show will face challenges due to construction at the airport, but staff is working to adapt to the limitations. Staff is contracting with television, radio, newspapers, billboards and social media to advertise the event.

RECOMMENDATION

No action is needed at this time.

Attachment(s):