



# City of Madison

City of Madison  
Madison, WI 53703  
www.cityofmadison.com

## Meeting Minutes - Approved MONONA TERRACE COMMUNITY AND CONVENTION CENTER BOARD

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Thursday, November 21, 2013

4:00 PM

One John Nolen Drive  
Hall of Fame Room

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### CALL TO ORDER / ROLL CALL

**Present:** 11 -

Jane Richardson; Michael E. Verveer; M. Alice O'Connor; Mark J. Richardson; Susan Sabatke; Dianne Hesselbein; Judith F. Karofsky; Glenn R. Krieg; James Ring; Chet Gerlach and Thomas P. Solheim

**Excused:** 3 -

Ricardo A. Gonzalez; Mark Clarke and Thomas J. Ziarnik

### APPROVAL OF MINUTES

A motion was made by Gerlach, seconded by Richardson, to Approve the Minutes. The motion passed by voice vote/other.

### PUBLIC COMMENT

No public comment.

### DISCLOSURES AND RECUSALS

No disclosures or recusals.

### NEW BUSINESS

- [32195](#) GMCVB Third Quarter Report: Diane Morgenthaler, Vice President of Marketing & Strategic Planning and Rebecca Ramsey, Director of Sales  
  
Year-to-date contract revenue is at 58.8% of goal for 2013, while room nights are at 49.1% of goal. Additional pending contracts are at \$51,262 with 1,400 room nights and verbally committed contracts total \$134,525 with 1,491 room nights.  
  
Hotel occupancy and average daily rate (ADR) continue to outpace 2012 with occupancy up 4.7% and ADR up 4.4%  
  
The GMCVB has been involved in several public issues including the Judge Doyle Square project (JDS), room tax legislation with the state, and Airbnb.com business. Airbnb.com is an online business that allows anyone to rent a room at a daily rate to anyone else, as if it were a hotel. This type of business is getting more and more popular, and the City of Madison is interested in providing a frame work of protection for all parties involved. The City and GMCVB have written up ordinances that will create a registration requirement

for people wanting to participate in this type of business and the City will expect the participants to collect room tax on these transactions.

The GMCVB's supports the JDS project. GMCVB states that having a large enough hotel room block to offer potential conventions is still the biggest competitive issue for selling downtown Madison. For instance, going up against Grand Rapids they are able to house all convention attendees in 2 large hotels that are in immediate proximity to the convention center. Madison's sister city Austin is an example of a city that has turned into a convention powerhouse by investing in hotels to support their convention center. It seems that other cities in Wisconsin are rapidly expanding to draw in conventions, Appleton and Green Bay are doing it and even Racine and Brookfield are taking it under consideration. Madison doesn't want to find itself behind and having to catch up. According to a market study, the Hilton at Monona Terrace operated at 82% capacity during 2012. This is a very high mark in the industry and proves there is room for another hotel to operate successfully downtown.

On another note the GMCVB was voted the most helpful CVB in Wisconsin by Meetings & Conventions Magazine.

2. [32196](#)

Room Tax Legislation: Gregg McManners, Director

During the last board meeting it was mentioned erroneously that the GMCVB was involved in authoring the State Room Tax legislation bill. Deb Archer, Executive Director of the GMCVB, wanted to clarify that this was not the case and that the Hotel Association was actually author of the legislation. The GMCVB board took a formal position on this legislation explaining in a memo to the Mayor that they do not support the bill in its current form. What they do want to see specified by legislation is that a minimum of 70% of room tax dollars is spent on tourism. They would like clear terminology to define what room tax dollars can and cannot support so it is uniformly practiced. Also, they would like precise methods followed to ensure transparency in room tax spending. Finally, the addition of a provision for the dispute of room tax usage should be incorporated.

3. [31885](#)

2014 Renovation Update: Gregg McManners, Director  
A. Budget Approvals

Both the Capital and the Operating budget were approved by the common council in record time. As a reminder the budget contains a stipulation regarding the replenishment of Monona Terrace's reserve fund.

4. [17074](#)

Booking Pace Update: Bill Zeinemann, Associate Director - Marketing and Event Services

2014	Budgeted	Actual
Conventions	27	25 (+2 tentative contracts = 27)
Conferences	30	27
Meetings	192	195
Banquets	215	222

The 2014 booking pace provides an optimistic outlook for the year. The Sales department is continuing to work to close the gap in conference numbers. This

category of event is often booked during the year so there should be no problem meeting the budget in conferences.

5. [32197](#) Finance Report: Kathi Hurtgen, Associate Director - Finance and Operations

October had 85 events and was only budgeted for 67. There were 2 more conventions than budgeted and 4 more conferences than budgeted. This resulted in event revenue up by 45%. Operating expenses rose due to the increase in business and came in 20% over budget. The month ended with revenue \$90,000 over expenditures. This brings the year to date total revenue to \$88,000 over expenditures.

6. [32194](#) Director's Report: Gregg McManners, Director

**A. Board Report**

No additional comments.

**B. Judge Doyle Square**

The staff committee is working on a report for the JDS committee and has actually had to delay meetings because it's been such a complicated, large report to compile.

Earlier this month Heywood Sanders was hired by Alder Ahrens to speak publicly against the JDS project. It should be mentioned that Heywood Sanders has never supported any publicly funded projects and is only ever called upon to voice this particular opinion when consulted to speak on the topic.

It's too early at this point to get a read on the consensus of the Common Council. The TIF funding request and the plans for the Madison Municipal building (MMB) will be significant factors in swaying opinions.

The next JDS meeting is December 2 while January 7th is the target date for a JDS resolution. If things go well, a development team will be chosen by February. Negotiations with that development team will follow.

**C. December Board Meeting & Client Appreciation Event**

The December board meeting is cancelled. The board is reminded to RSVP to the December 11th party.

**D. 2014 Board Dates and Locations**

The board should have received the 2014 dates and locations of upcoming board meetings in their packets. Note that the January meeting will take place at the Hilton due to renovation at Monona Terrace.

7. [31617](#) Announcements from the Chair: Glenn Krieg, Chair

No announcements from the chair.

**ADJOURNMENT**

A motion was made by Hesselbein, seconded by Richardson, to Adjourn. The motion passed by voice vote/other.