



**MALC Board of Directors Meeting Minutes
In Person and Zoom
4:00 PM**

October 17, 2024

Visit Mobile Boardroom | Mobile Convention Center - 4th Floor

Voting Board Members in Attendance:

Kent Blackinton – President of the MALA Representative
Judi Gulledge – Attractions Representative
Margo Gilbert – Downtown Mobile Representative
Aaron Watz – West Mobile Representative
Duncan Millar – West Mobile Representative
Hunter Omainsky – Restaurant Representative
Pinal Patel – Tillman’s Corner Representative
Raj Desai – Tillman’s Corner Representative

Voting Board Members Not in Attendance:

Ken Patel – Downtown Mobile Representative

Non-Voting Board Members and Others in Attendance:

David Clark – Visit Mobile Representative
Bobby Hall, CPA – Robert Hall & Associates, PC
Tom White – Visit Mobile
Oliver Dorgan – Visit Mobile
Tara Lawson – Visit Mobile
*Several members of the lodging community from Tillman’s Corner and West Mobile

Meeting Called to Order by Kent Blackinton at 4:04 PM.

Approval of Minutes from the September 5, 2024 meeting.

*Margo Gilbert motioned to approve the minutes. Duncan Millar seconded.
A unanimous vote of approval followed.*

Financial Report by Bobby Hall

Financials as of September 30, 2024
*Kent Blackinton motioned to approve Financials. Margo seconded.
A unanimous vote of approval followed.*

Marketing & Promotions – Tara Lawson

- Digital Campaign Results
 - Expedia – performed higher year over year, with lower ad spend.
 - Digital Display – Impressions higher year over year, CTR stable
 - SEM – Conversions substantially higher year over year
 - Traffic to TID lodging page on website increased, time-on-site remained the same.
- Recommendations
 - To increase engagement on site and full conversions to booking, the marketing team recommends sending traffic to landing pages with seasonal content that align with ad messaging, with a TID lodging widget, rather than sending all traffic to the TID lodging page.
 - The marketing team is changing vendors to accomplish an omnichannel marketing approach that will integrate all digital channels and serve users on multiple platforms. The team has confidence this will result in more effective marketing

Capital Update

- Contacted Tiffany Poiroux and Brett Orrell for next steps on Tillman’s Corner gateway projects.
- Tennis Center is planning to claim their approved funds soon.

Annual Budget to be presented at Public Hearing on November 6.

A copy of the 5th annual budget (Sept 2024-May 2025) can be found on mobilearealodgingcorporation.com under the resources section. The “stub budget” runs from the start of the fiscal year to the end of the current TID term.

Kent Blackinton motioned to approve the budget. Hunter Omainsky seconded. A unanimous vote of approval followed.

Renewal Discussion

Presentation of the most updated timeline and absolute deadlines for TID renewal processes. Key deadlines include:

- Adoption of the 5th annual budget at the Public Hearing on November 6
- 90 days from public hearing to hold City Council hearing.
- 20 days’ notice must be given before City Council hearing, with new District Management Plan included.

Reasons for increase in assessment amount

- Due to the pause on spend during the 2020 pandemic, carryover funds are being spent in addition to annual collections. Members are pleased with the campaign results, and more money must be spent to maintain that level of results.

Assessment methodology: possibility of changing the mechanism from a set dollar amount to a percentage of room rate.

- Percentage of room rate: PROS
 - Hotels with a lower rate are not charging their guests as much.
 - Overall, the TID would likely collect more in assessments.
- Percentage of room rate: CONS
 - Changes the assessment methodology, requires re-petition.
 - The weight distribution of votes by property changes when the assessment methodology changes to a percentage (SB112 page 7) from a threshold of 50 percent of the business owners and 60 percent of the rooms in the district, to 50 percent of the business owners and 60 percent of the proposed annual assessment. Properties that charge a higher rate and run at higher occupancy would account for more of the minimum threshold for all-property voting.
 - Hotels with higher rate will be charging their guests considerably more in TID fees than others.
 - To the guest, a percentage is not as straight forward and may look like a tax.
- Set dollar amount: PROS
 - Does not change the assessment methodology.
 - Without petition schedule, the board has additional time to negotiate key provisions with the City.
 - Weight distribution of votes remains based on number of rooms at each property, with no account for rate or occupancy. (i.e. equal weight given to two hotels with the same number of rooms).
 - Equal shift in city-wide rate.
 - All visitors pay the same fee.
- Set dollar amount: CONS
 - Hotels with lower rate feel they are charging their guests a lot, comparative to room rate and lodging tax.
 - Total amount collected will only increase based on occupancy, not driven by rate.

Proposed options for the District Plan

- Room rate percentage: assessment to be set at 1.5% of room rate per night in years 1-3 of the renewed plan, followed by an increase to 2% of room rate per night in years 4-5.
- Set dollar amount: assessment to be set at \$1.50 per room per night in years 1-3, followed by an increase to \$2.00 per room per night in years 4-5.

Final votes (8 voting board members present)

Percentage of room rate – 3 votes

Set dollar amount – 5 votes.

The Board voted to adjust the District Management Plan proposal to assess \$1.50 per room per night for years 1-3, followed by an increase to \$2.00 in years 4-5.

Future Meeting Dates

- November 6 – Public Hearing and Annual Meeting

Open Discussion

Meeting Adjourned at 6:01 PM by Kent Blackinton.