



GENERAL MANAGERS NEWSLETTER

(February 2016)

“Creativity is allowing yourself to make mistakes. Art is knowing which ones to keep.”...Scott Adams, American cartoonist

Hotel Room Security

Hotel room security was a hot topic at the February meeting of the CAHA Security Committee. The discussion centered on a lawsuit from Iowa in which a female hotel guest was assaulted in her room when several hotel employees were negligent in their duties by allowing the assailant access to the woman's room. First, the front desk gave him a key to her room (he had talked with the victim earlier in the restaurant) without checking his ID or whether he was a registered guest; and then when he couldn't gain access with the room key because she had used the interior security lock, a maintenance man let him in, simply on request. Several points of employee contact were identified by the Security Committee where extra and continuous training and education needs to be done. Bring this up with your HR directors.

One committee member also sent us a link to a Dateline video that relates to guest room safety and unauthorized access. The security consultant in the video is actually a former criminal that now shows how criminals gain access to a lot of different places. Our committee member reports he has used this video several times in the past with his own security team and other hotel department training sessions. So, even though this video should not supersede or override your own standard operating policies and practices within your organization, it can still be a useful training tool. The link to the video is https://www.youtube.com/watch?v=udcZjs9_g80.

CAHA Golf Tournament – Registrations Coming In; Hole Sponsorships Filling Up

April 27th...that's the date of the **CAHA Charity Golf Tournament** this year to raise money for our scholarship fund for culinary, hospitality and housekeeping students at Central Piedmont Community College (CPCC). Graduates from these programs are from this area, and remain and work here after graduation. We hotels hire them...they are our future employees. So we want to help those that need it, to complete their schooling and come to work for us.

What We Need...and a Great Opportunity to Promote Yourself

1. **Raffle items** (See note below)
2. **Items for the Golfers' Gift Bags** (100 count each item needed; see note below)
3. **Tee/Green Sponsors** (See registration form; several already gone.)
4. **Tournament Sponsors** (Tournament sponsors)
5. **Golfers...individual golfers & foursomes** (See registration form)
6. **People to “be present” at each tee box to greet the golfers...**2 already taken

(Note: For raffle items and golfer's gift bag items, drop them off at the Hilton Center City (222 East 3rd Street, 28202) marked "For Tracey Milcarek" no later than Friday, April 22.)

The registration form with complete information (including sponsorship opportunities) is on the website under <http://charlotteareahotels.org/cpcscholarship.html>. Go ahead and start planning your team and get the word out to friends, neighbors, other businesses and church groups. You do not have to be a member of CAHA to play.

Local Occupancy Taxes – Revenue Flow Chart

What are the three occupancy tax sources for Charlotte/Mecklenburg? How much do they generate in taxes? Where does the money go? Do you ever get asked these questions by ownership?

Ron Kimble, Deputy City Manager, City of Charlotte, was at our February CAHA meeting and went over all of these figures. He handed out a one-page, easy to read, Flow Chart that shows total occupancy revenues and where the money went in FY 2015. We have extra copies of the chart if you want one. It's a great, quick and easy reference guide. Just send us an email to charlottehotels@aol.com and request one, and we'll get it to you.

Airbnb: More & More Multiple-Unit Operators (i.e. "hotel" operators)

A significant portion of Airbnb's revenue comes from full-time renters acting as hotel operators, according to a study funded by the American Hotel & Lodging Association (AHLA). The report, *"From Air Mattresses to Unregulated Business: An Analysis of the Other Side of Airbnb,"* conducted by Penn State University's School of Hospitality Management, analyzed data from Airdna, which tracks Airbnb revenue and operations through continuous searches of the Airbnb site. The data was gathered over a 13-month period in 12 major US markets.

A key finding of the analysis was the rise of what they called "mega-operators" defined as "hosts" who rent out three or more units. They grew from 1,171 in September 2014 to 2,193 in September 2015, an 87.3% increase. Mega-operators account for 7% of hosts in the markets studied (New York City, Chicago, Los Angeles, Philadelphia, Miami, Houston, Dallas, Phoenix, San Antonio, San Diego, San Francisco and Washington, DC), but accounted for 25% of revenue generated in those markets, totaling about \$326 million.

Similarly, the broader subgroup of multi-unit operators (those who rent two or more units) represented 16.8% of total hosts, but generated 39% of revenue. Full-time operators (those offering units at least 360 days over the 12 months ending September 2015) represented 3.3% of all hosts, but generated 28.5% of revenue.

(Source: Business Travel magazine)

Tax Refunds Aren't for Spending this Year

Americans will get back some \$330 billion in tax refunds this year, and more than half of that is earmarked for savings accounts or paying down debt. That's the highest percentage since 2007. Some 66 % of individual taxpayers will get a refund check in 2016.

According to a an annual survey released by the National Retail Federation (NRF), about 50 % of them will plow it into savings, while 35 % will also use it to pay down debt. It's perhaps a sign of self-discipline that Americans want to shore up their finances, but it's also a bad sign for consumer sentiment and by extension the U.S. economy.

But the other side of the story is "money saved is spending potential down the road." And in fact, not all of that money will result in delayed gratification; good chunk of refunds will still pay for vacations (11.4 %) and cars and TVs (9.2 %), according to the survey of more than 7,000 people.

Hotel/Casino Planned for Kings Mountain

A major new Hard Rock Hotel and Casino is in the works for the Charlotte region. The Catawba Indian Nation is working with Hard Rock International out of Orlando, FL to develop an unprecedented new \$600 million casino in Kings Mountain near Exit 5 off of I-85, according to the Charlotte Business Journal. The next step will be final approval from the US Department of the Interior that will determine whether the tribe will be able to open the facility.

Several possible impacts from this: Will people stay in Charlotte and go out there to gamble; or will they stay out there and come into Charlotte for site seeing and dining? But one impact is for sure...an operation like this will gobble-up hotel, restaurant and bar employees. It might seem far away, but the lure of casino-level wages will be a draw. And they'll have to get their employees from somewhere, and the closest hotel-market (with employees) is Charlotte. This is where your emphasis on "retention" of current employees becomes so important.

The Catawba Indian Reservation, in partnership with the State of South Carolina and several investors are also planning a \$350 million film and production studio just to the south of Charlotte across the state line.

EEOC Wants W-2 Hours Data from Employers

The federal government recently announced two major initiatives that will impact all employers across the country. The President and the EEOC announced a proposed revision to existing law that would require employers with more than 100 employees to turn over to the government information about how much their employees are paid, with the aim of identifying gender pay gaps and increasing gender discrimination enforcement action. And the week before that, the EEOC released a revised draft of its Enforcement Guidance on Retaliation, a document that will be used by investigators, plaintiff's attorneys, and courts to help interpret the law on claims of retaliation, which is the most frequently alleged type of EEOC violation.

This new pay data will allow the EEOC to compile and publish aggregated figures that will help employers in conducting their own analysis of their pay practices to assist in their compliance efforts (...according to the government; do you think that's the real emphasis?!?). The Labor Department's Office of Federal Compliance Contract Programs, using other data sources, will also make pay data available to the public (Read: lawyers, labor unions, special interest groups, etc.). These data will also provide job seekers and

workers with information on the aggregate pay for job groups across industries, and by gender, race and ethnicity...

Employers, including federal contractors, have submitted similar reports for many years, and this new pay data collection will build on established practices. Employers and contractors with 100 or more employees would supplement their existing reports with basic pay range information and hours worked data starting in September 2017. To protect worker privacy, employers will not be required to submit individual-level pay data; employers would report the number of employees within set “pay-bands” (*Read: gender, race, etc.*).

(Thanks to NCRLA for a “heads-up” on this new reporting requirement. Some “commentary” added by CAHA.)

New CAHA Supplier Member Has “Innovation” Day Set for February 26

Our newest supplier member, Konica Minolta has a fun day set for Friday, February 26 at Victory Lane Karting, 2330 Tipton Drive, Suite 100 (28206) from 9:00 am until 4:00 pm. They’ll be demonstrating new products and innovation. RSVP to www.ncinnovation.kmbds.me but hurry.

March CAHA Meeting – Great Topics Set

The **March 17th** CAHA meeting is all but set with some great topics. The meeting will be from 3:00-5:00 pm (place TBD).

- The PGA Championship is coming to town next year and they’ve already opened their tournament office here. **Jason Mengel, PGA Championship Director** will be with us to talk about plans, coordination and how to be involved with them.
- **Alyssa Barkley, Chief Operating Officer, NCRLA** will go over their legislative agenda for the 2016 short session in Raleigh and get our input and feedback.
- And in case you haven’t seen or heard (don’t know where you’ve been), this is a big election year that’s going to get wilder and wilder as the year progresses. What can hotels do and not do in dealing with “campaigning” for political candidates, political parties and/or “causes” by employees (and others) on hotel property? **Angela Cummings, attorney/stakeholder with the Littler law firm** will be with us to clarify all of this.

Future CAHA Events

CAHA Annual Charity Golf Tournament for CPCC Scholarships: *April 27, Pine Island Country Club (go to our website at www.charlotteareahotels.org for registration information)*

CAHA General Membership Meetings: *March 17, April, no meeting (April 27 is the CAHA Golf Tournament), May 19, June 16, July 21, August 18, September 15, October 20, November 17, December 15 (Third Thursday of each month, 3 pm, subject to change.)*

CAHA HR Committee Meetings: *March 10; (April 27, CAHA Golf Tournament); May 12; July 14; September 15; November 10 (Second Thursday of even-numbered months, 9 AM, subject to change.)*

CAHA Security Committee Meetings: *March 16; May 18; July 20; September 21; November 16 (Third Wednesday of even-numbered months, 10 AM, subject to change.)*

Support Our Supplier Members:

Afterdisaster-Metrolina; Charlotte Paint/Pro-Tec Finishes; Gordon Food Service; Ipswich Shellfish Group; Konica Minolta Business Solutions; Moneysworth Linen Services; MSS Solutions; PIVOTek; Regency DKI; Show Pros Event Staffing Services; Tarheel Linen Service; The Charlotte Destination Group; TruGuard Construction Group; U.S. Foodservice; Visit Charlotte; and Where Charlotte Magazine

(Disclaimer: The information contained herein comes from many reliable sources. Every effort has been made to ensure its accuracy, but neither CAHA nor SALCO Consulting can assume any liability for omissions or inaccuracies. We are not attorneys and cannot give legal advice. You are urged to seek appropriate legal or professional council on all legal, accounting, tax or employment issues.)