

## Chapter Executive Ideas Swap Summary – July 28, 2020

### From NAIOP CEO Tom BISACQUINO:

- NAIOP is analyzing recent results of latest COVID-19 Survey:
  - Rent collections holding strong. Industrial best product for rents and retail is worst.
  - Most members believe the situation won't be resolved until early 2021.
- NAIOP is planning its operations assuming current conditions remain through 2020 and into spring 2021.
- Annual CRE.Converge conference will be held virtually in 2020.
- Membership is on par with last downturn in 2009/2010.
- Chapters should be looking at all operations and budgets through early 2021 to be prepared for continued COVID-19 disruptions.
- NAIOP wants to hear from the chapters as to their financial, membership and programming positions.
- We should also be looking for opportunities as well.

### VP for National Forums and NAIOP Research Foundation Bennett GRAY on 2020-2021 Forums program recruiting:

- [Program](#) includes over 850 members across 54 groups. [Interest groups](#) cover a wide variety of product types and niche segments.
- Many current Forum members believe participation in the program is one of the major benefits of NAIOP membership. Forum members typically are our most loyal and active members. The program's 2020 renewal rate was over 90%.
- Regular Forum pricing is \$1,955 per year. Current benefits include registration to CRE.Converge and the Forums Symposium along with regular virtual meetings. Lunches and dinners are also provided during in-person conference and symposium events.
- During CRE.Converge Virtual, Forum members will have access to virtual tours, an expanded group of speakers, and a "Forums Exclusive" featuring Steve Forbes. A virtual networking event between all Forum members will be offered to expand the experience. The specific conference networking platform has not yet been determined.
- The DL Forums members attend four meetings over two years for the same \$1,995 pricing. At the end of their two year period, they can either be placed in an established group or form their own Forum.
- Forum members are seasoned professionals. DL Forum members must have at least four years CRE experience and regular Forum members must have a minimum of ten years related experience.
- Forum membership is by application. Once a completed application is received, the NAIOP Corporate staff works with Forum leaders to fill vacancies. The current application period will run through mid-September.

- Chapter executives are encouraged to refer any prospective Forum members to [Bennett Gray](#). Chapter execs will receive a list of their current Forum members and marketing materials will be made available.

### **NAIOP Pittsburgh/Erica LOFTUS on chapter Bike Tour:**

- Due to COVID-19, initial tour plans were put on hold and the chapter's Developing Leaders developed a BYOT (Bring Your Own Transportation) property tour held Friday, July 17. Pittsburgh was in Green Phase of Pennsylvania reopening schedule with additional modifications set by the local county. This was the first in-person event the chapter had since March.
- For those without their own bikes, the city has bike rental stations.
- Seven properties were included starting at the Strip District and ending on the South Side. The cost was \$25 per participant. Participants were divided into three groups of 25. The tour took 1.5 hours to complete by bike.
- No security or escort car was used to keep the groups together. Each group had a specific leader and that leader knew he/she were in charge of keeping the group together.
- All presentations were done outside of each project. Each presentation was approximately 10 minutes long. Box lunches were provided along with beverages at the end of the tour. Once tour ended, it was the participant's responsibility to get back to their car.
- The DL planners conducted two trial runs of the program to finalize the timing and other COVID-19 related logistical matters.
- Participants were either 6 feet apart or wore masks.
- The chapter didn't recruit sponsors for this event, but highlighted DL sponsors on all marketing materials and during the event. Costs were relatively low since there were no transportation costs. Chapter provided branded draw-string bags as swag for those attending.
- One project venue asked for a certificate of insurance.
- Photographs are posted on chapter's [Instagram account](#).
- Marketing materials can be found on the chapter's [Linked In](#), [Twitter](#), and [Instagram](#) or by contacting [Erica Loftus](#). (All DL events are in the chapter's DL purple branded color.)

### **What are chapters planning to do for 2021 sponsorship packages?**

- VP for Business Development & Strategic Initiatives Chris WARE:
  - Most I.Con sponsors were willing to transition over to virtual but the average discount was approximately 30%. Research indicates a 20% - 60% range is typical. NAIOP Corporate was able to retain more revenue by switching sponsorship dollars from I.Con Virtual to other products such as print magazine or digital opportunities.
  - Corporate annual sponsors will be approached in September for the 2021 year. The approach assumes live events will occur in 2021, but

adjustments will be made if things change. The initial approach will present a higher sponsorship proposal and work down. It is much harder to get additional money once company budgets are set.

- NAIOP Central Florida had one 2020 sponsor who did not pay. Logo was removed from all sponsor branding sites. Other sponsors may drop to a lower level or not partner in 2021. The chapter is looking at rebates, a loyalty program, etc., but nothing has been decided
- NAIOP Chicago received one sponsorship refund request.
- NAIOP Arizona sponsorship packages are built around five major events. Chapter asked sponsors to accept a 2021 credit for the canceled 2020 event. Only two sponsors rejected taking a credit. Waiting to see if any other events will need to be canceled. Looking at possibility of conducting all other events outside. Sponsorship revenue loss will be shown in 2021.
- NAIOP San Francisco is compensating benefits lost with other benefits such as webinars, advocacy efforts etc. Not planning to give credits or reduce sponsorship pricing for 2021 at this time. The chapter believes that the decision to sponsor will not be based on chapter's pricing but on company's overall sponsorship policies. Sponsorships are tied to seats at events which makes giving credits difficult.
- NAIOP South Florida has gone above and beyond to insure that sponsors are getting as much exposure as possible this year.
- NAIOP Pittsburgh encourages engaging chapters on social media as a good way to show value.

#### **NAIOP Washington State/Peggi FU on chapter financial position in 2021:**

- Would like to learn more about each chapter's financial picture going into 2021.
- NAIOP Washington does not plan to have in-person events until July 2021. Currently, golf tournament is scheduled for mid-August 2020 because golf is allowed under the phased reopening. Not sure if it will actually occur given the trend of infections.
- Fortunately, chapter does not traditionally have their large events in the first half of the year.
- Members need the chapters now more than ever. Events and opportunities for engagement need to be maintained.
- Most chapters rely heavily on sponsorship & registration revenue and those revenue streams have dried up. In last downturn, these two largest revenue streams were not as hard hit as they are now.
- Chapter plans to lose \$125,000 this year assuming the golf tournament can be held. Chapter plans to have a loss in 2021 of \$150,000. Best case scenario is for the chapter to use 65% - 75% of its reserves by EOY 2021.
- Assumed for 2021: 90-96% of membership revenue; sponsorship 91% - 94%; 94% - 96% registration revenue in Q3 and Q4.

- Would like to know if NAIOP Corporate will give membership revenue to the chapters.
- **NAIOP Massachusetts/Reesa FISHER**
  - NAIOP Massachusetts projected numbers are almost identical to NAIOP Washington State.
  - Chapter board is very concerned with chapter financial position.
  - Advocacy support will be a very large part of their efforts in the coming months/year.
  - Chapter anticipates losing a large number of chapter associate member sponsorships and memberships.
  - Chapter expects to have a 2020 loss of \$150,000 to \$170,000 which is 25% - 30% of their reserves.
  - State is being very conservative in opening. Very few people have returned to their offices. Some companies are not returning their employees until March 2021.
  - Chapter is looking to reduce costs but can't cut enough to cover the loss in sponsorships.
  - In-person events are on hold until June 2021. All large in-person events in 2020 were cancelled.
- **NAIOP SoCal/Timothy JEMAL:**
  - Important to the board that deficits are kept down.
  - Chapter needs funds to hire the best individuals to grow the organization.
  - Just looking at the reserves will not give a complete picture of the chapter's financial position.
- **NAIOP Edmonton/Anand PYE:**
  - Chapter board has the same questions.
  - Reserves are down 40%, and the chapter's viability is questionable by 2022.
- **NAIOP CEO Tom BISACQUINO:**
  - NAIOP Corporate is committed to supporting its chapters but each chapter is different and deserves support.
  - The NAIOP Corporate Board is committed to reinvesting in the organization.
  - We will discuss on a chapter-by-chapter basis and will need to know much more about each chapter's specific financial position.
  - The organization will also look for the opportunities that are out there.
  - Recovery will occur at the local level before the Corporate (national) level.
  - NAIOP Corporate is looking at their 2021 budget and making the same assumptions as the chapters.

### **NAIOP Georgia/Debbie KOENIG on chapter charity challenge:**

- NAIOP Georgia Food & Fund Drive partnered with Atlanta Community Food Bank in May. This effort supported many families and individuals in the Atlanta area.
- Georgia has lower minimum wage than federal minimum, and 25% of children under 18 are food insecure. The need has only increased.
- Virtual food drive: Formed a team with the Atlanta Community Food Drive so members could donate money online. This was perfect for individuals who wished to shelter in place. The online effort lasted four weeks and had a goal of \$15,000. Chapter raised \$45,000.
- Actual food drive on June 11: Four locations with shifts of no more than eight volunteers per location per shift. This complied with social distancing guidelines. This was a drive up food drive where volunteers (wearing masks & gloves) picked up the food from the cars. The chapter received 1,700 lbs. of food.
- Events were able to provide 180,000 meals.
- Chapter created a marketing plan for this effort and gave their annual sponsors exposure on all advertising, social media outreach, banners and t-shirts used at the event.
- Marketing information and photos can be found on the chapter's [Instagram](#).
- NAIOP Georgia would like to challenge other chapters to have their own food drive between now and the end of the year. [Debbie](#) is happy to provide additional information and/or offer support.

### **Does NAIOP Corporate or the chapters have a one-pager PDF on the benefits associated with a student membership?**

- Corporate has information on University Memberships, but not individual student membership (beyond general marketing materials).
- NAIOP Marketing Department is happy to work with any chapter on their specific marketing needs.

### **REMINDERS:**

- Registration for CRE.Converge is complimentary to chapter executives. Log in through [naiop.org](http://naiop.org) to register. The platform will be different from I.Con Virtual.
- NAIOP will continue to offer the Zoom platform to chapters through 2020.
- Please forward any chapter HR polices to [Beth](#) in response to request by NAIOP SoCal.
- **Next Chapter Exec. Idea Swap on Thursday, August 13.**