

TOURISM

SANTA FE

Date: December 15, 2014

To: Governing Body

Cc: Brian Snyder, City Manager

From: Randy Randall, Tourism Santa Fe Executive Director

Re: Community Convention Center Pricing

In response to Council Resolution 2014-51 by Councilor Rivera:

The rate structure for the Community Convention Center has been reviewed in detail by staff and the attached rate structure has been instituted. This rate structure offers a 20% discount for local organizations and individuals automatically and allows the staff flexibility to increase the discount based on city involvement in the event and ability to pay. Staff has been instructed not to turn down any business based on price before consulting with the department management. Additionally, staff is authorized to offer up to a 50% discount for last minute needs for local use – last minute being defined as within 30 days of the desired event. After experimentation with the 50% discount concept for bookings with less than a 30 day lead time, this opportunity will be advertised locally.

The retail pricing of the space at the center has been compared to several local hotel facilities and the price per square foot is less than virtually all of the downtown space offered. Hotels also have the opportunity to earn additional income from space for services including food, beverage, audio visual, labor charges, service charges and of course guest room occupancy. Our additional income potential related to local use is currently limited to 10% of outside catering revenues as reported by the catering companies. In this comparison, our pricing for the larger space seems to be much lower than the hotels it was compared to. The smaller space is a bit higher probably due to the lack of food and beverage in the typical use of this space and therefore no commission income to the center.

During the past calendar year, we have had 134 uses of the center where a fee was paid or the uses were covered under a city council waiver resolution. In addition, the city hosted 79 internal events. During this same period of time, Rosalina Grace who handles the local bookings, estimates that we had close to an 80% booking success rate and that the center was rarely disqualified due to cost of space. We are flexible with pricing and try to accommodate needs.

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CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2014-51

INTRODUCED BY:

Councilor Chris Rivera

A RESOLUTION

DIRECTING STAFF TO STUDY THE FEASIBILITY FOR OFFERING A REDUCED RATE FOR USE OF THE SANTA FE COMMUNITY CONVENTION CENTER BY LOCAL SANTA FE RESIDENTS.

WHEREAS, the newly constructed Santa Fe Community Convention Center (SFCCC) opened in late 2008; and

WHEREAS, the SFCCC delivers the flexibility of rental space (both indoor and out); and

WHEREAS, the SFCCC has primarily been utilized for conventions, conferences and art and cultural events; and

WHEREAS, many local community individuals have not had the opportunity to use the SFCCC for personal events because of the high fees that are charged for such events; and

WHEREAS, each year, premium dates are reserved without an actual commitment for use of the SFCCC; and

WHEREAS, interested parties, whether a local Santa Fe resident or a large organization, should have the opportunity, on a first come, first serve basis to book dates for use of the SFCCC.

