



Agenda

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OCCUPANCY TAX ADVISORY BOARD

FEBRUARY 24, 2011

8:30 A.M.

CITY COUNCIL CHAMBERS – CITY HALL

8:30 a.m.

Regular Meeting

I. Procedures:

- a. Call to Order
- b. Approval of Agenda
- c. Approval of Minutes: January 27, 2011

II. Lodgers Tax Update –

- a. Lodger's Tax update - David Tapia

III. CVB Activity Reports:

- a. Keith Toler – SFCVB Executive Director
- b. Mary Pat Kloenne - SFCVB Sales and Marketing Supervisor
- c. Steve Lewis - SFCVB Public Relations

IV. Final Report:

- a. Luna Moruna Productions – presented by Justin Nadir MA

V. Meeting Schedule:

The next meeting will be held on March 31, 2011 at 8:30 a.m. in the City Hall Council Chambers.

VI. Adjournment

Persons with disabilities in need of accommodations, contact the City Clerk's office at 955-6520, five (5) working days prior to meeting date.

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OCCUPANCY TAX ADVISORY BOARD MEETING
February 24, 2011**

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**MINUTES OF THE
CITY OF SANTA FE
OCCUPANCY TAX ADVISORY BOARD
February 24, 2011**

I. PROCEDURES

a) CALL TO ORDER AND ROLL CALL

A regular meeting of the Occupancy Tax Advisory Board was called to order on Thursday, February 24, 2011, at approximately 8:30 a.m. by Mr. Margetson, in the City Council Chambers, City Hall, Santa Fe, New Mexico.

Roll indicated the presence of a quorum for conducting official business as follows:

MEMBERS PRESENT:

Mary Bonney
Jon Hendry
Paul Margetson

MEMBER(S) EXCUSED:

Miguel Castillo, Chair
1 vacancy

STAFF PRESENT:

Cyndi Catanach, Administrative Assistant
Keith Toler, SFCVB Executive Director
Mary Pat Kloenne, SFCVB Sales and Marketing Supervisor
Steve Lewis, SFCVB Public Relations

OTHERS PRESENT:

Justin Nadir, Luna Moruna Productions
Jo Ann G. Valdez, Stenographer

b) APPROVAL OF AGENDA

Mr. Hendry moved to approve the agenda as published. Ms. Bonney seconded the motion, which passed unanimously by voice vote.

c. APPROVAL OF MINUTES – January 27, 2011

Mr. Hendry moved to approve the Minutes of the January 27, 2011 meeting as submitted. Ms. Bonney seconded the motion, which passed unanimously by voice vote.

II. LODGER'S TAX UPDATE (DAVID TAPIA)

Mr. Tapia was absent today due to a death in the family. Copies of the "Lodgers Tax Report" will be e-mailed to the Board Members when it is available.

**III. CVB ACTIVITY REPORTS:
a) KEITH TOLER (SFCVB EXECUTIVE DIRECTOR)**

Mr. Toler reported as follows:

- Mr. Toler said that the city's report shows that occupancy for the month of January was down 4.4% when compared to the prior year; however the ADR was up 0.4% city wide.

The Rocky Mountain Report is showing that the downtown properties were down 3% in occupancy; the Cerrillos Road properties are up 4%; and the occupancy for the periphery properties was up 2%. Mr. Toler said he thinks that occupancy was down in the month of January due to the lack of snow.

- Mr. Toler reported on the Convention Center bookings compared from 2009 to 2009 as follows:
 - o There were 105 free events in 2009 and only 90 in 2010; there were 14 conferences held at the Convention Center in 2009, and 20 in 2010. There were 11 local meetings and 28 social events in 2009 and 31 in 2010; there were 19 retail trade shows, art shows, expos in 2009 and 13 in 2010.
 - o They are looking at 46 free events or city meetings thus far for 2011; 13 conference and conventions; 4 local meetings; 38 local social events and 14 trade shows, art shows, expos.

Mr. Margetson asked Mr. Toler if he had the fee income for both years.

Mr. Toler said the fee income for 2010 was \$450,000 and about \$420,000 in 2009. He noted that the operation costs are \$1.5 million; \$4100 per day. They are looking at approximately a \$1 million shortfall.

Mr. Hendry asked if the CVB receives funding from the County.

Mr. Toler said no.

Mr. Hendry would like to pursue this in the future-explore more joint marketing opportunities with the County. He explained that there is not a difference between the County and City social local events. He suggested that a study group be created to look at this; or at least have a joint meeting with the County Lodgers' Tax Advisory Board.

Ms. Bonney agreed, and said that there is no reason to segregate the City and the County because tourists/visitors do not know the difference.

Mr. Margetson offered to set this up.

Mr. Toler continued with his report as follows:

- The CVB recently won a national convention center "Gold Service" Award.
- The CVB is looking at doing a sales promotion for January and February 2012 and 2013; if a meeting planner will bring 500-700 room nights, they will be offered the Convention Center, free of charge.
- Terrell White from El Rey Inn was appointed to the OTAB last night.
- Mr. Toler said he spent a lot of time recently on the media buy in trying to finalize it. He noted that the Trip Advisor website is up-CVB has a destination page there – an ad will be made available to the industry. He explained that they can change the website at any time if anyone has any ideas or suggestions.

Mr. Toler reported that Travelocity goes live next month and Pandera goes live in April. They are also working with National Media International On-line network; they purchased their luxury travel network on line and their healthy living travel network on line, to include Phoenix, Dallas and Las Angeles. They are doing a separate campaign in the Albuquerque market, which will roll out in late April or early May.

- Mr. Toler said they are looking at advertising on-line and doing some e-blasts in *E Conventions and Smart Meetings*, *Group Tour Magazine* to try to entice more bus groups to come to Santa Fe and in *ASE Corporate Travel*; the Association and Convention and Facilities; the NCI Dallas group and the Texas Society Associate Directors will be doing some on-line advertising for the CVB.

b) MARY PAT KLOENNE – CVB SALES AND MARKETING

Ms. Kloenne reported as follows:

- Ms. Kloenne distributed the January Sales Report and a partial report for February (*Exhibit "A"*). The Information in the reports reflects the following:
 - o 809 room nights confirmed through their leads in January; there were 4,725 room nights lost; there were 3856 room nights sent out in leads; 800 room nights still tentative and they turned down 3500 room nights. Ms. Kloenne said that they are preparing a full report now that the computer numbers are as accurate as they have ever been.
- Ms. Kloenne reported that they are doing a full report on 2010 and it will show what they did; how they did; how they fared and where they are going moving on to 2011. They are also doing an action calendar that will show what each sales person is doing.
- Ms. Kloenne said they are lowering the number of trade shows they are doing and increasing the number of sales blitzes-they are attempting to do six next year to major markets-two from each sales person.
- Ms. Kloenne said they are doing site visits at each of the properties and will be resetting quotas. She explained that they set an arbitrary number of quotas originally because they didn't have anything to go on-right after the Convention Center opened and the economy "tanked". She said they set them low and they have far exceeded last year's numbers, according to quota. They were scheduled to do 13,000 room nights and they did over 42,000 room nights.

Ms. Kloenne said the Sales Report should be finalized by next week.

Mr. Margetson asked if the leads are sent out to the County too.

Ms. Kloenne said yes.

Mr. Margetson asked how they determine who they send leads to.

Ms. Kloenne said it depends on what the client is looking for.

Mr. Hendry asked if there would be any interest to set up a "tourism development fund" specifically as a sales tool to look at the Community Convention Center and spread the business throughout the year. Possibly, give entrepreneurs cash/incentives to come to Santa Fe. He also spoke about the idea of restaurants charging a nickel or dime per drink to generate revenue.

Ms. Kloenne said they are focusing on putting some of the groups in the “shoulder” season. She explained that they try to offer incentives to them to come at off-time.

Mr. Margetson said that Mr. Hendry’s idea has merit; however he would suggest that this would be something that is reviewed every year by the businesses themselves.

Mr. Margetson would like to see information in the Sales Report with regards to why the CVB is losing business. Also, what hotel/business they went to. He asked Ms. Kloenne if she could list what she thinks would be the top three reasons for losing the business.

Ms. Kloenne said the top three reasons they are losing business is:

- 1) Transportation
- 2) Hotels
- 3) The perception is that the weather here is like Phoenix, and some people are looking for warmer climates.

Ms. Kloenne said they can do report cards for each property. She offered to work on that.

- Ms. Kloenne said they are in the process of doing some “vertical geographic selling” to the markets. They have joined associations, received memberships with insurance groups and bank travel groups; this gives the CVB their membership lists and they are doing mailings and follows up to the mailings.
- Ms. Kloenne said they are trying to put together an Ambassador’s program-to keep Santa Fe businesses aware that they are selling Santa Fe also; and if someone has a bad experience at a restaurant, or a shop, for example, it can throw a return trip to Santa Fe. The program is in its early stages and they want to get the community more involved.

Mr. Hendry said they could develop staff training or an awareness program that would be funded under the tourism development fund.

Mr. Toler added that they recently received a proposal from *The New Mexican* to promote local ambassadors-if the CVB buys an ad, *The New Mexican* would match them. This would let the locals know what message we are sending out.

Mr. Hendry said there could be ambassadors at the Airport who could greet and welcome people to the City. They could hand out the *Visitors Guide*, for example. The businesses could do satisfaction/exit surveys and follow up to address any problems.

In response, Ms. Kloenne said she thinks they will capture a lot more people now that they are opening a Visitors Center at the Railyard.

Mr. Lewis said the *Trip Advisor* could be an avenue for this - possibly have an awareness campaign to the managers in town about responding to the negative posts that show up on *Trip Advisor*.

c) STEVE LEWIS- SFCVB PUBLIC RELATIONS

Mr. Lewis distributed and reviewed the summary of work from January 2011. Please see *Exhibit "B"* for the details.

Mr. Lewis noted that they have gone to a second binder for the media clips for this fiscal year and they continue to generate press.

Mr. Lewis reported that the Winter Fiesta was featured in the *La Times*, the *Denver Post*, the *Dallas Morning News*, the *Chicago Tribune* and in the various newspapers across the east. However, they could not make it in the *New Mexican* and the *Albuquerque Journal*, despite sending them a daily calendar.

Mr. Lewis noted that some of the hotel concierges indicated that people were calling about the Winter Fiesta before arriving to Santa Fe. He said overall it felt like people were here because of Winter Fiesta.

Mr. Lewis said they are working on a *New York Times* piece presently. They are also working on a *Newsweek* visit this summer. He mentioned that a Canadian television crew of the Travel Channel will be in town later today.

Mr. Lewis noted that Santa Fe had a piece in the *Meetings West* publication; had a picture in *Small Market Meetings* and has a piece coming out in *Brides Magazine*. He mentioned that Santa Fe had two pieces on the *Today Show* in the last month; one on hotel specials and one on Santa Fe being a winter destination. He said they also put out a piece on ski packages.

Mr. Lewis said he met with the Lensic about marketing and to talk about their anniversary coming up in April and how they can work on some kind of awareness as well.

Mr. Lewis noted that he is working with the Indian Arts and Crafts Association, who is holding a conference in the Convention Center. They will be doing a retail day that will be open to the public so he is helping them to promote that to bring people in. They are also helping the Folk Art Market promote their event.

Mr. Margetson asked Mr. Lewis if he sends out anything to the hospitality businesses that show what he has been working on; and so that they can participate in what is going on.

In response, Mr. Lewis said he meets with the Hospitality Networking Group once a month where he gives a report.

Mr. Margetson asked how they know about the meeting.

Mr. Lewis said he sends out an e-mail invitation list. He offered to put Mr. Margetson on the list. He also put a small piece in the CVB newsletter that went out last week.

IV. FINAL REPORT

a. Luna Moruna Productions – presented by Justin Nadir MA

[Copies of the 2010 Final Report {*Exhibit C*} for Luna Moruna Productions were distributed in the members' packets.]

Mr. Nadir reviewed the Final Report as follows:

- Juan Siddi Flamenco Theatre Company presented 51 shows over a nine week period at the Maria Benitez theatre at The Lodge at Santa Fe from June 25 through August 22, 2010. Extensive in and out-of-market advertising was used to help make the event a success.
- There was a 10% increase in attendance when compared to the prior year.
- They sold 4,590 tickets of which 3005 of these were from out of state patrons.
- Total box office sales were \$179,000.
- Out of market advertising was utilized with dollars allotted by OTAB in the amount of \$5,000. The website media placement co-operative advertising campaign with the Santa Fe CVB proved to be successful.
- 10% of the ticket sales were from Texas; 7% from Colorado and 2% from Arizona. Other states where the numbers were high were California, Oklahoma and New York, where the Juan Siddi Flamenco Theatre Company has already had contacts in previous years with opera, university and other groups.
- Aside from the CVB Co-operative marketing campaign, they advertised in the Santa Fe *Visitors Guide*, various other in-market and out-of-market publications, as well as the Albuquerque market to increase audience participation.
- They also advertised in San Francisco city with other flamenco companies.

Mr. Nadir thanked Steve Lewis for his assistance in advertising their event.

V. MEETING SCHEDULE

The next meeting will be held on March 31, 2011 at 8:30 a.m. in the City Hall Council Chambers.


VI. ADJOURNMENT

Its business being completed, the meeting was adjourned at 10:40 a.m.

Approved by:

Paul Margetson

Respectively submitted by:



Jo Ann G. Valdez, Stenographer