

Agenda

CITY CLERK'S OFFICE

DATE 3-28-12 TIME 2:25pm

SERVED BY Cynthia Gutierrez

RECEIVED BY Phil C.

- SPECIAL MEETING -

OCCUPANCY TAX ADVISORY BOARD

APRIL 5, 2012

SANTA FE COMMUNITY COVENTION CENTER

NAMBE ROOM

10:00 a.m.

Special Meeting

I. Procedures:

- a. Call to Order
- b. Approval of Agenda

II. Discussion Items –

- a. 3 year funding limit
- b. Funding of events – not exclusive to non profits
- c. Review/revise mission/policy statement/application
- d. Discussion on combining county and city OTAB boards
- e. Discussion on Jon's \$1 million idea
- f. Folk Art/Fiesta funding

III. Meeting Schedule:

The next regular meeting will be held on April 26, 2012 in the City Hall Council Chambers.

IV. 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.

**CITY OF SANTA FE
OCCUPANCY TAX ADVISORY BOARD
SPECIAL MEETING
APRIL 5, 2012**

ITEM	ACTION	PAGE
I. PROCEDURES:		
a. Call to Order	Quorum	1
b. Approval of Agenda	Approved	1
II. DISCUSSION ITEMS		
a. 3-year funding limit	Motion passed	1-2
b. Funding of events – not exclusive to non-profits		2-3
c. Review/revise Mission/Policy Statement/Application		3
d. Discussion on combining county and city OTAB Boards		3-4
e. Discussion on Jon's \$1 million idea	Motion passed	4-5
f. Folk Art/Fiesta Funding		5
III. Meeting Schedule:		
The next regular meeting will be held on April 26, 2012 in the City Hall Council Chambers.		5
IV. ADJOURNMENT		5

**MINUTES OF THE
CITY OF SANTA FE
OCCUPANCY TAX ADVISORY BOARD
SPECIAL MEETING
April 5, 2012**

I. PROCEDURES
a) CALL TO ORDER

A special meeting of the Occupancy Tax Advisory Board was called to order on April 5, 2012, at approximately 10:00 a.m. by Miguel Castillo, Chair at the Santa Fe Community Convention Center, Nambe Room, Santa Fe, New Mexico.

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

MEMBERS PRESENT:

Miguel Castillo, Chair
Mary Bonney
Jon Hendry
Paul Margetson
Terrell White

STAFF PRESENT:

Jim Bradbury, interim SFCVB Executive Director

OTHERS PRESENT:

Steve Lewis, SFCVB Public Relations

b) APPROVAL OF AGENDA

Mr. White moved to approve the agenda as published. Ms. Bonney seconded the motion. The motion passed unanimously by voice vote.

II. DISCUSSION ITEMS
a. 3-year funding limit

Mr. Hendry said he thought the Board had a 3-year funding limit and he would like to clarify this. He remembers that there were previous discussions about having a 3-year funding limit but it doesn't appear anywhere. However, it does appear in the Board's By-Laws or rules.

Chair Castillo said he hasn't seen the rules. He remembers that this was discussed but questioned whether or not the Board actually formalized it into the rules.

Ms. Bonney asked if the Board should formalize this and put it into the rules.

Mr. Hendry recommended that the Board do that. He said after three years, if an event is not making money, then maybe they should take another look at the event.

Ms. Bonney agreed.

Chair Castillo asked if this would be for the Fiesta as well.

Mr. Hendry said the Fiesta is different. He explained that the City Charter states that there should be a celebration every year and the City should automatically fund it. This is the only event that the City is required to do.

Mr. Bradbury said there is nothing in the State statute that has any kind of limitation on funding events. This is up to the municipalities and OTAB. However, the statute does state that lodging tax monies should be used only for tourism-related events as defined in the statute.

Mr. Hendry thinks that OTAB needs to focus on their core mission, which is to increase occupancy tax revenue by increasing visitation to the city. He suggested that the 3-year funding limit be put into the rules.

Chair Castillo said the recommendation to adopt this rule would have to go before City Council for approval.

Mr. Hendry said the Board has spent lots of money on advertising and PR and he questions if it is working.

Ms. Bonney asked if the Board could ask for additional funding to fund events along with the recommendation to adopt this rule.

Ms. Bonney moved to put a 3-year funding limit in the rules effective today that would state that *any entity or organization that has received, or applied for funds from OTAB, for three years are ineligible to receive funding.* Mr. Hendry seconded the motion. The motion passed unanimously by voice vote.

b. Funding of events – not exclusive to non-profits

Mr. Hendry said there are 50,000-501 (C) (3) organizations registered in Santa Fe.

Mr. Margetson asked who put this item on the agenda.

Mr. Hendry said he didn't but he knows that people have made comments about this.

Chair Castillo said this is not an actual lodgers' tax statute but it is in State and City Statute.

Mr. Margetson asked if the Board needs a motion on this. Chair Castillo said no-action is required.

c. Review/revise Mission/Policy Statement/Application

Mr. Margetson asked what the Board's Mission or Policy Statement is and if there is a copy for the Board Members.

Chair Castillo said Cyndi Catanach has one but it basically states that OTAB's mission is to promote tourism and events within the City of Santa Fe.

Mr. Margetson requested a copy of the Mission or Policy Statement.

d. Discussion on combining county and city OTAB Boards

Mr. Margetson requested that this be placed on the agenda. He asked how this can be done.

Mr. Hendry said OTAB gets a small portion of occupancy taxes.

Mr. Hendry explained that the County LTAB decides who the advertising agency is, and how the County's money (lodgers' taxes) is spent.

Chair Castillo asked Mr. Margetson if he has asked LTAB if they are interested in doing this.

Mr. Margetson said no.

Mr. Bradbury explained that the County would need to have a collaboration with the City for this to happen. The political entities would have to decide whether or not this is a benefit for the city or the county.

Mr. Margetson said this goes to the issue of the County hotels collaborating with the Convention Center; going on trips with the Convention Center representatives, and participating in events that the City has. He feels that it would be productive to include LTAB but there should be some revenue coming from LTAB. He thinks this is worth pursuing.

Chair Castillo said the County LTAB and City OTAB would have to recommend this to their respective governing bodies and agree to possibly share some of the lodgers' tax revenue.

Mr. Margetson thinks there should only be one advertising agency for Santa Fe.

Chair Castillo suggested that there be a joint meeting with OTAB and LTAB to discuss this further.

Mr. Hendry said the City Councilors and County Commissioners are keen on having more collaboration between the City and County.

Mr. Margetson suggested that OTAB ask LTAB if they are interested in doing this before going to the governing bodies.

Mr. Margetson will ask the Chairman (John Berkenfield) of LTAB if they can schedule a joint meeting to discuss this further-to see if they are interested in combining boards.

e. Discussion on Jon's \$1 million idea

Mr. Hendry said the city has spent a lot of money on advertising and it is not working. He thinks it is time for the City to try something different.

Mr. Hendry presented his idea and explained the funding formula in detail. He said this is money that already exists. This would be a 3-year fund that would start with \$1 million-making a three-year commitment with the organizations that get the funding. The funding of the \$300,000 a year is simple: The City would ask the County to administer this and pay for the administrative costs for this, which is \$33,000 a year. The County could hold events in the City and the City could hold events in the County. This means the County would participate with the City in these events. \$100,000 of it would come from OTAB's funding (\$70,000) plus \$30,000, which would come from the 1% from the Arts Program. The City puts in another \$100,000 in city services, i.e, police and fire, MRC, Genoveva Chavez Center, for a total of \$200,000. The other \$100,000 would come from private businesses, any one from hotels, restaurants, radio stations, *The New Mexican*, *Albuquerque Journal*, etc. This would be a list of places where people could hold their events.

Mr. Hendry said there would be criteria established for the events. He would like to do three events per year. He explained that this funding idea is based on building sustainable events. By creating three *new* events a year, you can create tourism, using existing funds. He said nothing else will increase tourism by 25% over the next five years, using existing funds. He spoke about the events that could be created. He noted that other states, such as Colorado have events all the time and this brings in people/tourism.

Mr. Hendry said they could include facilities like the MRC, who are presently struggling.

Mr. Hendry said they could have an independent review committee to review applications for funding -judging the liability of the event; and how feasible the return is to the city.

Mr. Hendry said the Economic Development Department would like OTAB to endorse the concept/idea. If approved, he will have Kate Noble draft a Resolution for City Council's review and approval.

Ms. Bonney moved to authorize Mr. Hendry to proceed with his idea. Mr. Margetson seconded the motion. The motion passed unanimously by voice vote.

f. Folk Art/Fiesta Funding

Mr. Hendry thinks the Folk Art International Market and Fiesta should be subsidized/funded out of another fund, such as the GRT. The 3-year funding limit should apply to them as well.

Chair Castillo said he did not think that this would be adopted by City Council. He feels that you can't stop funding an event just because they are successful. He said this is a policy that OTAB cannot make.

III. MEETING SCHEDULE

The next meeting will be held on April 26, 2012 at 8:30 a.m. in the City Hall Council Chambers.

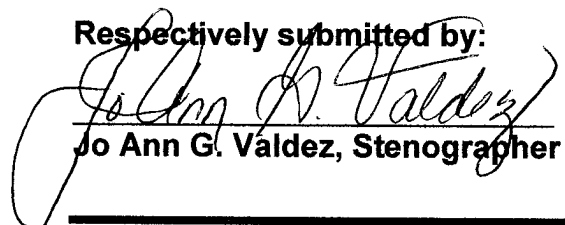
IV. ADJOURNMENT

Its business being completed, Mr. Hendry moved to adjourn the meeting, second by Ms. Bonney, the meeting was adjourned at 11:30 a.m.

Approved by:


Miguel Castillo, Chair

Respectively submitted by:


Jo Ann G. Valdez, Stenographer