



Agenda

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OCCUPANCY TAX ADVISORY BOARD

JANUARY 26, 2012

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: November 17, 2011

II. Lodgers Tax Update –

- a. Lodger's Tax update - David Tapia

III. CVB Activity Reports:

- a. Jim Bradbury – SFCVB Executive Director
- b. Christine Madden – SFCVB Sales
- c. Steve Lewis - SFCVB Public Relations

IV. Meeting Schedule:

The next meeting will be held on February 23, 2012 at 8:30 a.m. in the City Hall Council Chambers.

V. 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 MEETING
January 26, 2012**

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**MINUTES OF THE
CITY OF SANTA FE
OCCUPANCY TAX ADVISORY BOARD
January 26, 2012**

I. PROCEDURES

a) CALL TO ORDER AND ROLL CALL

A regular meeting of the Occupancy Tax Advisory Board was called to order on January 26, 2012, at approximately 8:33 a.m. by Miguel Castillo, Chair, 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:

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

MEMBERS ABSENT:

None

STAFF PRESENT:

Jim Bradbury, interim SFCVB Executive Director
Cynthia Catanach, Administrative Assistant
Steve Lewis, SFCVB Public Relations
Chris Madden, SFCVB Sales
Dr. Melville L. Morgan, Finance Department Director

OTHERS PRESENT:

Betsy Ehrenberg, Glass Alliance of New Mexico
Sara Simms, TKO Advertising
James Walker, TKO Advertising
Jo Ann G. Valdez, Stenographer

NOTE: All items in the Committee packets for all agenda items are incorporated herewith by reference. The original Committee packet is on file at the City Clerk's Office.

b) APPROVAL OF AGENDA

A report from Betsy Ehrenberg of Glass Alliance New Mexico was added after the Lodgers' Tax report. A report from Jon Hendry on Sundance was added after Steve Lewis' report. A report from TKO Advertising was added after the report on Sundance.

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

c) APPROVAL OF MINUTES – November 17, 2011

Mr. Margetson moved to approve the Minutes of the November 17, 2011 meeting as submitted. Ms. Bonney seconded the motion. The motion passed unanimously by voice vote.

II. LODGER'S TAX UPDATE (DAVID TAPIA)

- a)** A copy of the "Lodgers Tax Report" was distributed in the members' packets. A copy is incorporated herewith to these Minutes as Exhibit "A".

Mr. Morgan reviewed the information in Exhibit "A". Please see Exhibit "A" for the specifics of this presentation.

Mr. Morgan said staff presented both the Lodgers' Tax report and the GRT report at the Finance Committee meeting. He noted that the GRT is up between \$1.8 to \$2 million. He said this is very interesting because when he looks at the Lodgers' Tax Report, it shows that the City is off by \$102,000, which is a decline of 2%. He mentioned that there is an amount that is delinquent that exceeds the \$102,000.

Mr. Morgan said these numbers are about two months behind. He said the month of February was a good month for the City. He explained that these are the sales for December.

Mr. Margetson asked Mr. Morgan if he knew what percentage the GRT is up by.

Mr. Morgan said approximately 4%.

Mr. Margetson asked if the delinquent number is for one month or does it stretch out several months.

Mr. Morgan said several months.

Mr. Margetson noted that Santa Fe County is able to disclose the properties who have not reported their lodgers' tax collected. He does not understand why the City cannot disclose this.

Mr. Hendry said he looked into this and the City could tell the Board who reported, but they cannot tell who did not pay tax, or what the estimated tax would have been.

Mr. Hendry said possibly the City could look into increasing the penalty for delinquencies.

In response, Mr. Bradbury said the penalty is dedicated by state statute.

GLASS ALLIANCE OF NEW MEXICO

Ms. Ehrenberg is the founder of Glass Alliance of New Mexico and she attended a luncheon on Tuesday of the New Mexico Tourism Coalition/Association. She noted that Steve Lewis was voted to serve on the Board. She said part of the meeting was a video that was prepared for the Legislators that showed tourism benefits for the state, as a reason for the Legislators to give more money to statewide tourism. The video showed that the reasons people come to New Mexico is for hiking, biking, golfing and skiing. She asked the Director why there was no mention of arts, culture, museums, markets, and performing or visual arts, and the Director told her that it did not occur to her.

Ms. Ehrenberg said the City of Santa Fe, the CVB, the Arts Commission and OTAB have an obligation to feed information to the Tourism Coalition and the Tourism Association of New Mexico. She said the video can be changed and she would love to see the City of Santa Fe, the CVB and the Arts Commission feed some clips that show the reasons that people come to New Mexico, particularly Santa Fe, because it is not just hiking, biking, golfing and skiing.

Ms. Ehrenberg said she is probably one of two members who represent the performing arts market and this is a problem that she thinks could be solved if there was more membership on the Coalition. She said the CVB could be a voice for Santa Fe.

Mr. Bradbury said the CVB recently joined and the membership fee is \$1300, which the CVB has paid. He said now that Steve Lewis is on the Board, he can be the voice for the CVB.

III. CVB ACTIVITY REPORTS:

a) Jim Bradbury (Interim SFCVB EXECUTIVE DIRECTOR)

Mr. Bradbury reported as follows:

- An Operations Manager for the CVB was hired two months ago and he is doing a wonderful job.
- Chris Madden is setting up interviews for next week for a Sales Manager.

- The Governor is holding a Prayer Breakfast this morning.
- The Centennial Ball was held at the Community Convention Center on January 6th and it went exceptionally well.
- It looks like there was over \$1 million in room revenue lost from the film industry. Occupancy rates are running approximately at 59% and they are going to try to get this back into the 60% range in 2012.

Mr. Margetson said a lot of the film industry does not pay lodgers' tax because they stay for extended periods of time. He said hotels are required to disclose how much is not taxed.

Chair Castillo noted that there is a line item in the Lodgers Tax Report for those who are exempt from tax.

Mr. Bradbury offered to ask David Tapia if he has this number.

Mr. Hendry said he is moving forward in asking the City to consider transferring the money from the Airport Enterprise Fund, out of the General Fund, back to the Transportation Department Fund to use for promotion efforts and event funding.

He is also pushing the MRC to put in a RV park with the dirt from the landfill from 599. The RV Park would be subject to lodgers' tax.

Mr. Margetson expressed concerns over the proposal to put the Tourism Department back to the Department of Cultural Affairs. He asked if there is any action being taken on behalf of the City.

Mr. Bradbury said not on behalf of the City, but the Lodgers' Association is taking a stance against this. He noted that the Tourism Secretary is backing the proposal.

Mr. Margetson asked Mr. Bradbury if he knew what the State is doing with regard to tourism.

Mr. Bradbury said they are looking at launching a PR campaign in April and he thinks there may be some coop opportunities. He mentioned that they are choosing a new company for their website.

b) CHRISTINE MADDEN – SFCVB SALES

[Copies of *Santa Fe Convention and Visitors Bureau Sales Activities for period: July 1 – January 25, 2012* {Exhibit B} were distributed.

Ms. Madden reviewed the information in Exhibit "B". Please see Exhibit "B" for the specifics of this presentation.

Ms. Madden reported as follows:

- Bookings are going steadily well. There are 18,165 confirmed bookings for FY'11-12, compared to 9,753 in FY'10-11. There are 2,411 tentative bookings for FY'11-12.
- Hotels are participating in the Phone Bank and a reception and lunch will be planned while in Washington and they hope to accomplish a minimum of 50 appointments while they are there. Simultaneously, the CVB is getting some "sign ups" for the rest of the year action plan.
- Ms. Madden reported on the travel/tradeshows noting that they had 15 appointments at the SmartMart tradeshow in Washington, DC.
- Ms. Madden noted that two events have been derived from the "*Experience Santa Fe On Us*" promotion.
- Ms. Madden met with the meeting planner for the Society for Black Anthropology and they are coming up with a plan to move forward. There could be 1800 people from this event scheduled for 2015 and the CVB is actively pursuing them.
- The CVB sent out 50 chocolate packages to VIP meeting planners with an "*Experience Santa Fe On Us*" invitation; however, to date there have been no replies from this.

Mr. Margetson congratulated the CVB for the increase in bookings from the prior year.

c) STEVE LEWIS- SFCVB PUBLIC RELATIONS

Mr. Lewis reported as follows:

- Press releases will be coming out about the second Sales Manager in *Smart Meetings*, *Western Group Tour Magazine* and a piece in *Leisure Group Travel* that will come out in February. There will also be a piece coming out in *LA Daily*, an AAA publication and in *Midwest Living*. Mr. Lewis is also working on a feature for the Travel Leisure Annex promotion that will come out in the spring – this will give information on where people can visit in the spring.
- A writer from the *Travel Channel* was here in December doing a holiday piece. Writers from Miami from the *Cigar Snob Magazine* were also in

town. A writer from *Simply Oklahoma Magazine* will also be coming to town.

- There was a piece in *Meetings and Conventions* in January that had a feature on the "Experience Santa Fe On Us" promotion. There was also a piece in *Dallas Morning News* and an extensive piece in *About.com Luxury Travel* in New York. The writer has done about 10 pages on Santa Fe per visit. There was a piece in the *Washington Post* on the holidays.
- A winter newsletter went out and was distributed to individuals who are on the e-mail list.
- A press release will go out about Artfeast and Winter Fiesta that will start tomorrow.
- 17 ski writers are coming to town in a week from Saturday to do a piece on "Ski New Mexico". They will include writers from *Fitness Magazine* and *Slice Magazine*. Mr. Lewis noted that a previous trip from these writers produced about 18 different articles.
- Many leads were sent out on winter and Valentine packages.
- Mr. Lewis said he hoped to do a mid-year review for the Board today; however, his printer was not working. He noted that earned media for the quarter is at approximately \$900,000; year to date is at \$1.9 million and he is confident that they will exceed the earned media from last year.

Mr. Margetson asked if Lou Hammond Advertising Agency, out of New York is still on board. Mr. Lewis said yes and offered to provide a report on what they are doing at the next meeting.

SUNDANCE REPORT

Mr. Hendry explained that this came out of a request from Councilor Wurzbarger who wanted them to promote the films that are shot here in Santa Fe. He thanked Mr. Bradbury for his assistance and involvement in the marketing cooperative efforts, which includes the City of Santa Fe, the County of Santa Fe, Los Alamos County and Rio Arriba County. He noted that they had a luncheon that was very well attended and Mayor Coss and Councilor Wurzbarger were in attendance. He mentioned that they made over 1000 hard contacts at the luncheon and they will do a vacations expo in May.

Mr. Bradbury asked Mr. Hendry if anyone has followed through on the contacts.

Mr. Hendry said Lisa will follow up next week with the contacts.

TKO ADVERTISING

[Copies of the PowerPoint presentation on the FY 2011-2012 Campaign Overview were distributed. A copy is hereby incorporated to these Minutes as Exhibit "C". Please see Exhibit "C" for the specifics of this presentation.]

Mr. Walker and Ms. Simms presented the information from Exhibit "C".

Chair Castillo asked Mr. Walker if they have a billboard on I-40 for travelers who are coming out of the Clines Corners area.

Mr. Walker said no they don't - it is a matter of not overspending on billboard advertising.

Referring to the Friends and Family Grassroots Campaign- where people can be entered to win a free trip to San Diego for showing their hometown pride and spreading the word about the nation's #1 cultural destination, Ms. Bonney asked why they are promoting the city of San Diego versus keeping them in the state, or even Santa Fe.

Mr. Walker said they have advertised this specifically to Santa Fe residents to motivate the locals to invite their friends and family to Santa Fe.

Mr. Bradbury said they wanted to give the residents from Santa Fe more incentive to do this and they thought that sending them to San Diego would be more of an incentive.

Mr. Walker noted that 300 people have signed up thus far and they will continue to send this out in the next couple of months. They will stop promoting locally at the end of February.

Ms. Simms said 243 people- who entered for the Friends and Family Grassroots Campaign -have requested a *Visitors Guide*.

Mr. Margetson asked if they are doing anything with the airlines.

Mr. Walker said they are negotiating with American Airlines about doing a promotion with them.

Mr. Walker noted that they have included the ability to book an event directly on Facebook.

Mr. Walker reported on the upcoming highlights noting that they will have a promotional sweepstakes "Santa Fe-Cation" and a Facebook Photo Contest that will be sponsored by *National Geographic*.

VI. MEETING SCHEDULE

The next meeting will be held on February 23, 2012 at 8:30 a.m. in the City Hall Council Chambers.

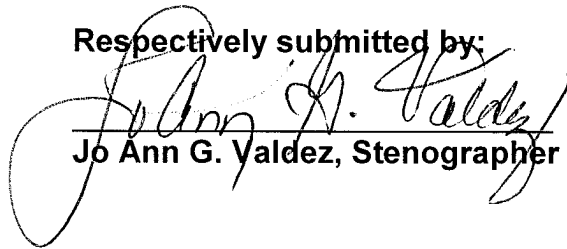
VII. ADJOURNMENT

Its business being completed, Mr. Hendry moved to adjourn the meeting, second by Ms. Bonney, the meeting was adjourned at 10:20 a.m.

Approved by:

Miguel Castillo, Chair

Respectively submitted by:



Jo Ann G. Valdez, Stenographer