

**SUMMARY OF ACTION  
OCCUPANCY TAX ADVISORY BOARD  
CITY HALL COUNCIL CHAMBERS  
SEPTEMBER 24, 2019, 10:00 PM**

<b><u>ITEM</u></b>	<b><u>ACTION</u></b>	<b><u>PAGE</u></b>
CALL TO ORDER		1
ROLL CALL	QUORUM	1
APPROVAL OF AGENDA	APPROVED	1
APPROVAL OF MINUTES	APPROVED	1-2
 <b><u>UPDATES</u></b>		
LODGERS TAX AND CITY STATISTICS	INFORMATION/DISCUSSION	2
SHORT TERM RENTALS	INFORMATION/DISCUSSION	2-3
NORTHERN NEW MEXICO AIR ALLIANCE	INFORMATION/DISCUSSION	3-4
 <b><u>CVB ACTIVITY REPORTS</u></b>		
SALES REPORT	INFORMATION/DISCUSSION	4
MARKETING REPORT	INFORMATION/DISCUSSION	4-5
TSF EXECUTIVE DIRECTOR REPORT	INFORMATION/DISCUSSION	5-7
OTHER MATTERS BY THE BOARD	NONE	7
COMMENTS FROM THE AUDIENCE	NONE	7
ADJOURNMENT	ADJOURNED	7

**OCCUPANCY TAX ADVISORY BOARD  
CITY HALL COUNCIL CHAMBERS  
SEPTEMBER 24, 2019, 10:00 PM**

**I. PROCEDURES**

**A. CALL TO ORDER**

The meeting of the Occupancy Tax Advisory Board was called to order by Chair Rik Blyth, at 10:00 am, on Tuesday, September 24, 2019, at City Hall in the City Council Chambers, Santa Fe, New Mexico.

**B. ROLL CALL**

**MEMBERS PRESENT**

Rik Blyth, Chair  
Carlos Medina  
Bonnie Bennett  
Keith Kirk  
Tohnia Miller  
Alex Fitzgerald, Ex Officio

**MEMBERS ABSENT**

Tohnia Miller

**OTHERS PRESENT**

Randy Randall, Tourism Santa Fe Executive Director  
Jordan Guenther, Tourism Santa Fe Marketing Director  
David Carr, Tourism Santa Fe Sales Director  
Joella Mortillaro  
Elizabeth Martin, Stenographer

**C. APPROVAL OF AGENDA**

**MOTION** A motion was made by Ms. Bennett, seconded by Mr. Medina, to approve the agenda as presented.

**VOTE** The motion passed unanimously by voice vote.

**D. APPROVAL OF MINUTES**

**AUGUST 27, 2019**

**MOTION** A motion was made by Mr. Keith, seconded by Ms. Bennett, to approve the minutes as presented.

**VOTE** The motion passed unanimously by voice vote.

## **II. UPDATES**

### **A. LODGERS TAX AND CITY STATISTICS**

Mr. Randall reviewed the report which was included in the packet.

Mr. Randall stated that RevPAR is up by 11 City wide. It is up by 14 downtown. We anticipate that August will be up \$100,000 in lodgers tax. We had 87% occupancy downtown and 84% City wide. We feel there is still room for growth. The key is that we do not take summer for granted. Short term rentals are about the same as July. There are 1,626 in the City. 1,076 are in the 87501 zip code. There is continued growth on Cerrillos road. September seems to be good. Balloon fiesta bookings seem to be good.

### **B. SHORT TERM RENTALS**

Mr. Randall said he attended a meeting consisting of several Departments along with the Mayor on short term rentals. There is definitely an increased concern about the growth of short term rentals and a desire to make some minor corrections to the short term Ordinance that will make just a few adjustments dealing with the City's ability to provide civil penalties and some clarifications on the not more than 2 in a row because it is a bit confusing about compounds and if they are across the street from each other. There was recognition in this meeting that there is a need for dealing with short term rentals in nonresidential areas that the Ordinance does not address at this point and some issues regarding new apartment developments in commercial areas in that they not become hotels. There were questions about should an individual be able to have more than one short term permit in a residential area and a general recommendation that they should not. He doesn't know if that will be corrected in this initial revision of the short term rentals.

Chair Blyth said at the lodgers meeting Carol mentioned not allowing more than one stay in a seven day period.

Mr. Randall said in the current Ordinance it says there can be only one arrival in a seven day period. He presumes that will stay, but he hopes there will be a better method of enforcement through Host Compliance, the new contractor the City has

hired. Greg Smith is going to be the oversight of that system. He has been in Land Use for many years and has the knowledge of the City codes and Land Use codes and the ability to understand the system. He doesn't think the Council will be inclined to change that 1,000 cap. If the word gets out that the cap is continuing and will be enforced and there are idle permits, what we have now will get scooped up right away. He thinks it is important that permits should not be allowed to be idle. If there is no reporting in that permit in one year they should not be allowed to renew the permit the next year. We do need to maximize the value of those permits to the City. There are some concerns about density. They have looked at other cities and how they deal with that. That is a bigger picture, longer term change to look at. It is important to make these smaller changes to allow enforcement without ambiguity. He thinks a lot of progress was made. His recommendation to the lodgers is if they want to bring forward their recommendations for changes do so in the form of short term and long term items. There are some big players getting into the short term rental business. Marriott has recently moved into that business. They are looking at apartments to convert to hotels. There is a definite movement to curtail that.

Chair Blyth asked was there discussion about collecting tax from the non Airbnb short term rentals.

Mr. Randall said no, not really. This was more of a discussion about the Ordinance. The purpose of the Ordinance changes, however, are to enable better enforcement. There is also movement through the Hospitality Association to get the State Taxation and Revenue Department to be friendlier to short term rental owners and operators as they are looking to find what needs to be done to be for compliance. Right now if you call there is really no one knowledgeable enough to answer questions. The Hospitality Association is asking for a short term rental desk at State Taxation and Revenue. What he has learned is that if you do short term and long term rentals you are obligated to collect tax. If you are just long term you are not required to.

Ms. Bennett said since you are looking at modifications to the Ordinance was there discussion about timeline.

Mr. Randall said they would be done through Land Use to Council for approval. He could see it happening by the first of the year or the end of the first quarter of next year. They also are looking at changing it so that all permits do not end on the same date to make enforcement easier. They are also going to take a look at what their enforcement costs are and justify an increase to the permit cost.

### **C. NORTHERN NEW MEXICO AIR ALLIANCE**

Mr. Randall said the newest on the Air Alliance is that they are about to embark on an advertising campaign of \$100,000 through Vladimir Jones. It is a targeted campaign, data driven to people who search for air travel to New Mexico on line. They

will get a banner informing them that they can fly directly into Santa Fe. It won't help with Southwest Airlines, but will with other carriers. We will get that started in the next 30 days and it will run through June. Of the \$100,000 the fees are \$25,000. The remaining \$75,000 will be in advertisement. They are about to contract for an updated economic impact of the Airport Study on Santa Fe. The mission is to find out why people are using that airport and to determine the usage of residents versus visitors and to get a better profile of residents and visitors using that airport and the overall economic benefit it brings to the City. It is to be provided to the Legislature. The survey will be done this fall.

### **III. CVB ACTIVITY REPORTS**

#### **A. SALES REPORT**

Mr. Carr reviewed his report which was included in the packet.

#### **B. MARKETING REPORT**

Mr. Guenther reviewed his report which was included in the packet.

Chair Blyth asked how are the OTAB grants promoted.

Mr. Guenther said we worked with the Santa Fe New Mexican last year.

Mr. Randall said we will get an article in the New Mexican and will inform the Arts Commission.

Mr. Kirk asked is there any update on buses for the Balloon Fiesta.

Mr. Guenther said he checked this morning and as of that time we had 22 seats sold. Ryan is going to send out another email on that.

Chair Blyth said we have a group of 18 rooms that asked about it. He will check on that.

Mr. Kirk said he will send out to everyone who is booked during that time again.

Mr. Guenther said let us know when you send that out so we can look for the reservations.

Mr. Randall said if you could send a reminder to the Lodgers Association that would be great.

Mr. Guenther said there is a another shuttle being promoted from Buffalo

Thunder other than us.

Ms. Bennett asked how is this being promoted to the general public

Mr. Guenther said we are pushing it out to the general public and is in all our newsletters. There are three pick up locations. The Hilton, the Drury and La Fonda.

Mr. Randall said we are still working on the sites so that may be a bit flexible.

Ms. Bennett asked they must book on line ahead of time, correct.

Mr. Guenther said correct.

Mr. Randall said if they come to the bus and ask to buy a ticket we will let them if we have space.

### **C. TSF EXECUTIVE DIRECTOR REPORT**

Mr. Randall said Pauline Kamiyama is in place as the new Arts Director for the City. Jarel is now the interim City Manager. We are effecting the transition from his office over to the City Manger's Office to oversee the Arts Commission. Wine and Chili is this weekend. Tickets are about sold out for the wine tasting. We will send out word to the hotels. The planning is being finalized for Indigenous People Day on October 14<sup>th</sup>. We are excited that Senator Udall will be at the morning presentation at 11:00 am and will make a brief address. We have started planning New Years Eve and are reaching out for sponsorships, We need to have about a 50/50 mix of public and private funds. Our goal is \$25,000 of non-City funds. He will reach out to Meow Wolf on that. The County will be hearing from us as well for sponsorship. So far we have had the Chamber of Commerce say they cannot do it again. Hutton broadcasting is coming in with cash and promotion of the event.

Chair Blyth asked will there be any major changes from last year.

Mr. Randall said it will pretty much be the same format. Last year we did a sparkling cider toast that logistically was difficult so we are dropping that. We are going to get noise makers again. That went over pretty well. Starting at 9:00 pm two bands will be performing on the band stand. At 11:30 pm we will move to the temporary stage looking towards La Fonda, the Zia will be raised and at midnight 2020 flashes then fireworks and people go home. We got two new accolades ranking us the 41<sup>st</sup> best City to live in by Money Magazine and we just heard today that the US Chamber ranked Santa Fe the 43<sup>rd</sup> best City to retire to. Money Magazine considered 1,800 cities that qualified and we were 41<sup>st</sup> so it is not all bad. The City is working on a new branding plan for the City. How it will impact tourism and our logos will be considered. The idea is to take the 25 or so logos and tag lines used throughout the City and consolidate

them. The only thing he will push back on will be changing the tag line of The City Different. The City Different is within the top 10 tag lines registered in the country. It started in 1912.

Mr. Randall said the Polo Lifestyles event will not happen this fall for logistic reasons. They are still interested in doing it, but it was too much to do so quickly. They are targeting next year to do it. We printed a few less Visitor Guides this year. They were done as partnership with Vela Media. They printed 300,000, but we thought we were printing 350,000 so we are running short. We did not direct that shortage, but we have it. Also we are working on a data platform concept of working with people from the private sector to do a deep dive into the population of Santa Fe and tourism in Santa Fe. That is on a slower path now. There will be a request for interest going out to data companies to see if they are interested in providing this data. Probably nothing will happen on this until the first quarter of next year. He is confident we will keep tourism as one of the two deep dive questions. Hopefully we can get more of a customized report. The Comedy Festival has an OTAB grant this year for \$22,500, but they were not able to use it. They were not able to get their nonprofit status or fiscal agent in place. She had made the assumption that she could use it next year and he has advised her that is not necessarily the case. His thinking is to have her make a report to OTAB about this year's event and do a rethink of how she would use the funds next year to grow the event and let this Board decide how they would like to go forward with that funding. Anything she did not use would go back into our fund balance. She would have to justify that this is an ongoing event.

Mr. Randall informed the Board that he will be gone for the October meeting. These gentlemen will be here.

Chair Blyth said thank you. Very well done.

Mr. Kirk asked did we get report on the free Wifi on the Plaza.

Mr. Randall said a few over 2,000 downloaded and did the survey. 300 to 400 downloaded, but did not proceed. We are just getting the last two antennas for the Plaza to give us the ability to have 1,500 or so using it at any one time. We have not done a major push yet. The intent is for next season to have flyers in the retail establishments around the Plaza talking about the availability and giving information about giving an email address and the requirement for survey purposes. It seems to be worthwhile. Tourism Santa Fe is paying the monthly fees for the availability of the internet.

Ms. Bennett said she would love to broach the subject of the homeless and transient population and if Tourism has had any conversations about that and how to address it going forward.

Mr. Randall said there are a couple of programs happening in the City. We have

signed up to a program to get to zero homelessness. A lot of the panhandlers are not homeless. Right now there are 120 identified homeless individuals in need of help. Up from 85 a year ago. The system says there are not more, there are just more identified. There is a program being instituted to give them help to move from homelessness. Their needs are different. He can bring in a speaker from the City to talk about that. There is a plan to do a Park Ranger type service in the Historic District to better work with the homeless. That will take our litter people away so he is meeting about that. He has some misgivings about it. There is a definite effort on the part of the City. A real look is being taken at the solicitations on the medians. There is an opportunity there. To him that is as much or more of an issue than the homeless. One thing he will say is he knows of very few destinations with good weather that do not have an issue with homelessness and panhandling. From what he can tell a lot of other places have a much bigger problem than we have and have been able to solve it. He has gotten fewer comments about the homeless this year than before.

Ms. Bennett said she has heard more this year and that is why she is bringing it up.

Chair Blyth said he hears more about the aggressiveness of panhandlers than the homeless.

Mr. Randall said he will put it on the October meeting agenda.

#### **IV. OTHER MATTERS BY THE BOARD**

None

#### **V. COMMENTS FROM THE AUDIENCE**

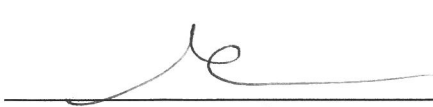
None

#### **VI. ADJOURNMENT**

There being no further business before the Board the meeting adjourned at 11:15 am.

---

Rik Blyth, Chair



---

Elizabeth Martin, Stenographer