**SUMMARY INDEX**

**CITY OF SANTA FÉ**

**Occupancy Tax Advisory Board**

**May 22, 2018**

 **ITEM ACTION TAKEN PAGE(S)**

I. Procedures

 a. Call to Order Called to Order at 10:00 a.m. 1

 b. Roll Call Quorum Present 1

 c. Approval of Agenda Approved as presented 1

 d. Approval of Minutes – April 24, 2017 Approved as presented 2

II. Lodgers’ Tax Report Reported 2-3

III. Northern New Mexico Alliance Discussion 3

IV. Visit Santa Fe Activity Reports

 a. Sales Report Reported by Mr. Randall 4

 b. Marketing Report Reported by Ms. Rice 4-5

 c. Executive Director Report Reported by Mr. Randall 5-6

V. Other Matters from the Board Discussion 7

VI. Adjournment Adjourned at 11:18 7

 Next Meeting: June 26, 2018

 **MINUTES OF THE**

**CITY OF SANTA FÉ**

**OCCUPANCY TAX ADVISORY BOARD**

May 22, 2018

10:00 a.m.

**I. PROCEDURES**

 **a. CALL TO ORDER**

 A regular meeting of the City of Occupancy Tax Advisory Board was called to order by Chair Paul Margetson on this date at approximately 10:00 a.m. in the City Council Chambers, 200 Lincoln Avenue, Santa Fe, New Mexico.

 **b. ROLL CALL**

 Roll call indicated the presence of a quorum as follows:

 **Members Present:** **Members Absent:**

 Paul Margetson, Chair Victoria Bruneni

 Jon Hendry Chris Hyer

 Al Lucero Elizabeth Pettus

 **Staff Present:**

 Randy Randall, Executive Director

 Joy Rice, Marketing Manager

 Shirley J. Spencer, Administrator

 **Others Present**:

 Carl Boaz, Stenographer

 **c. APPROVAL OF AGENDA**

Member Hendry/Member Lucero

**MOTION: Member Hendry moved to approve the agenda as presented. Member Lucero seconded the motion.**

**VOTE: The motion passed by unanimous voice vote with Members Hendry, Lucero and Margetson voting in favor and none voting against.**

 **d. APPROVAL OF MINUTES:** **April 24, 2018**

 Chair Margetson asked for a correction on page 3 where it should say Hyer instead of Harris.

**MOTION: Member Lucero moved, seconded by Member Hendry, to approve the minutes of April 24, 2018.**

**VOTE: the motion passed by unanimous voice vote with Members Hendry, Lucero and Margetson voting in favor and none voting against.**

**II. Lodgers Tax**

 **a. Update – Randy Randall**

 Mr. Randall said the Lodgers Tax Report is on page 18. March revenue is up over the prior year and that March was up from the previous March. Short Term Rentals are up, and hotel tax revenue is up.

 He said from the Rocky Mountain report, Rev/Par in downtown is up $10.20 and was almost the same in March. Rev/Par on Cerrillos was up $4 in April.

 Tourism was allowed to increase the budget by $500,000, taking it to $11.3 million. We will finish easily at that number and at mid-year review, will ask for another $500,000. If it continues on this trend, we will do spending, so we will have a half million whole - spending as if we had it available to us.

 The STAR Report validates the information from Rocky Mountain - Rev/Park downtown up by even more - from $111.00 to $123.00. So April was really good. He compared Santa Fe with Taos. They are down a little over four points in occupancy, so they were impacted by snow, but Santa Fe is up 3 points in occupancy. While skiing is important to us, we are not just a ski town. People still come but not to ski.

 In the peripheral market, which is Residence Inn, Lodge at Santa Fe and things in the County, including Buffalo Thunder and Homewood. In Rocky Mountain = they were up 7 points in occupancy and $7 in rate and Rev/Par was up. Buffalo Thunder is up significantly. They made decisions using more than just rates to increase occupancy. They are 4-star and were offering lower rates. The Casino is about 20-25% more aggressive on their rates to the public. They have a new sales philosophy under the current GM who has been there for a year now.

 Mr. Randall said Phyllis Ortiz retired suddenly and Ms. Shirley Spencer will take her place for the time being.

 Chair Margetson said he thought eastern New Mexico was doing well.

 Mr. Randall said the oil and gas boom attracts people there. Albuquerque is up. Growth is all over the place and Taos is the only place down.

 Member Lucero thought New Mexico Crude is driving southeast New Mexico; not New Mexico True.

 Member Hendry said the emerging markets in Denver and Austin are adding hundreds of thousands of people.

 Mr. Randall said Denver is the single most important city for Albuquerque. Austin and Dallas jockey back and for their position. Houston was high but now is behind. Phoenix is now in the top ten cities and it is to our credit that we market to Phoenix. Now that the results are stabilized, the hotels are making good management decisions.

 Member Lucero said we need to recognize that hotels and hospitality are driven a lot by culinary arts. There are now about a half dozen of those restaurants. And the diversity is there.

 Mr. Randall agreed.

 Member Hendry didn’t think the people coming to short term rentals are the type who would stay in hotels, but short-term rentals have helped the hotels.

 Mr. Randall said because of that and Lodgers tax went from $3 million to $11.3 million, Tourism been able to double advertising and it does work.

 Chair Margetson asked if the Santa Fe Texas massacre had affected our tourism.

 Mr. Randall said the feedback is that there is no confusion between the two.

 Mr. Randall got an email from Canada about how Santa Fe is getting what it deserves. This morning at Senior Staff, Mayor Webber talked about what we can do to prevent such a high school tragedy here.

 Member Lucero suggested we should do something to express our sympathy to them.

 Mr. Randall said he didn’t control the messages but a good thing to bring to Santa Fe Lodgers.

**III. Northern New Mexico Air Alliance Update**

 Chair Margetson said there was not a lot to report.

 Mr. Randall agreed. The Alliance has been so focused on keeping the flights going. He will be meeting with the Mayor on the need for support of the Alliance. He mentioned it this morning on the airport advisory board. He is dealing with that one first. There is an item on Council agenda for Airport Manager to have more control over what happens at the Airport. So the Alliance efforts have been getting more focus on partnership with the City. We need to get a new Airport Manager soon.

**IV. Visit Santa Fe Activity Reports:**

 **a. Sales Report – Randy Randall**

 Mr. Randall reported that Mr. Carr and Ms. Delgado are attending the International Pow Wow. There are lots of group tours for Ms. Delgado. This would have been her last meeting. And Mr. Carr will be back next time.

 Mr. Randall said the Board can read through the written report. He added that getting hotels to respond to requests for the AOPA Fly-In was difficult. It is an ongoing frustration for our sales managers when we get a lead. It took him 2.5 weeks for AOPA.

 Member Lucero asked if Tourism could organize a meeting of hotel managers.

 Mr. Randall said he meets with Lodgers and we have a pre-meeting with managers.

 Member Lucero has found that more and more people rely on email blasts to hear about things. And it can get buried with all other emails. So people need to follow up.

 Mr. Randall agreed but we have to be fair with everyone. We have to deal with email.

 Member Lucero suggested that it can’t be just text but something eye-catching.

 Mr. Randall agreed.

 **b. Marketing Report – Joy Rice**

Ms. Rice said RFPs were going out for the website and for the PR contractor and they decided to keep the same ones. There were seven responses and none from New Mexico. The contracts have annual renewal.

 Ms. Rice reported on marketing activities with sixteen events and constant updating of them. Margarita Trail is celebrating the 2nd anniversary with 13 locations local social media consultant. We now have 31 total locations.

 She reported on a meeting in LA with journalists and some expressed interest in coming to Santa Fe.

 We got accolades from Travel & Leisure for the hottest destination. The Margarita Trail was highlighted.

 Member Hendry commented on the PBS piece. He was a sponsor for the syndicated program.

 Ms. Rice said Board members should go to Condé Nast link.

 Ms. Rice said the metrics for April are good for passport orders, numbers growing at Margarita Trail restaurants.

 Mr. Randall clarified that for the cost of the passport, they get a dollar off each time, so it is value-added. We can reduce the price but 99 cents goes to Google for their fee. We are trying to keep it competitive.

 Ms. Rice said the website newsletter had a slight decrease in sessions, but the quality of traffic is better.

 She reviewed the statistics for social media and reported that the social media manager position is open right now. We brought on a consultant for social media and hope next month, the statistics will be better.

 She reviewed Media Placements which were shown on page 38. They are gearing up for summer travel with digital advertising. Impressions are at $13 million and PR saw an increase in media value.

 Mr. Randall said the social media manager position is full-time.

 **c. Executive Director Report \_\_ Randy Randall**

 Mr. Randall said the search for a Marketing Director is moving along. It was posted last Friday and stays up until we hire. So I can see what applications have come in.

 For the Social media position, we made an offer to a person. We had a no-show and then a couple of really strong candidates. I made an offer and we should know by this time tomorrow. The candidate is from New Mexico.

 We are working hard on the NGA conference. Mr. Carr is the primary liaison from City to State planning group. It is in Santa Fe but is a state meeting. They had a very good security meeting yesterday - Several streets will be closed. Staff have to pass background check. We will relocate where buses come and go from. There are lots of moving parts. It is for three days with departure on July 22.

 It will not hurt the economy. We expect to have fewer governors because 21 are in a reelection campaign. We don’t know if there will be any international visitors or any from the executive branch.

 Music Week is moving along well.

 Press Release - Member Hendry and I had a great meeting yesterday and are getting at least 30 restaurants and bars for music that week. We plan to have a coupon to eliminate door fees, so it will help the restaurants to pay for music performers.

 Member Hendry was very enthused. He hoped it would lead to 51 weeks of music.

 Mr. Randall said this is the first effort and hopefully it will grow.

 Member Hendry said the goal is to have music all around town. And have people go from one to another.

 Member Lucero suggested having Music on the Hill. He announced a new tasting room for St. Clair Winery at the Skylight Room. Maybe we could work out a wine testing.

 Member Hendry noted that Oxygen Bar is right next door. The coupon could reduce the cover charge or discount for a meal. Everyday there would be information on the web site. Maybe free appetizers, etc.

 Mr. Randall thought Member Hendry’s concept was terrific. Fifteen passes cost $15 and the value is beyond $100. It is like a City Pass in big cities.

 Member Hendry said never ask a musician to play for free.

 Mr. Randall is attempting a new relationship with the County - not trying to take their funds but to work collaboratively. They brought out a new Visitor’s Guide that does not mention the City. He met with them and identified two areas for collaboration - one is to combine the two Visitor’s guides. They printed 25,000 and could get 8 pages in our Visitor’s Guide for 400,000 prints. He is still trying to bring our websites together. They try to ignore the City which makes no sense. They have canceled the June meeting for lack of a quorum.

 There is a meeting for Finance tomorrow, but he didn’t think Tourism is on that agenda. It goes to Council on May 30 and contains an increase of grants from $70,000 to $100,000.

 We canceled our contract with Destimetrix. It was $55,000 per year and he met with ten participating hotels and each said it was of limited value and the data wasn’t timely. They would not contribute funds to it. So we are looking at a new one called Travelclick which is less expensive. And perhaps enter into a contract for a content person on our staff, writing our newsletter, etc. Our newsletter could have a lot more value and assist Ms. Rice with the website. And see if the person could provide some graphic design work.

 During Social media interviews, we found a person who might help.

 UNESCO - During the budget hearings, there is $20,000 between Tourism and the Arts Commission for Sister Cities and that funding was questioned. We have two awards: one for Design and one for Arts and Crafts. We were the second city in the world to get a designation and when we received the second designation, UNESCO decided to limit cities to one award.

 Member Lucero recognized Mr. Randall’s appointment by the Mayor and gave him congratulations.

 Member Lucero asked to have a graphic on the ad placements. Ms. Rice agreed.

**V. Other Matters by the Board**

 There were no other matters by the Board.

**VI. Adjournment**

 The meeting was adjourned at 11:18 a.m.

 Approved by:

 Paul Margetson, Chair

Submitted by:

Carl G. Boaz for Carl G. Boaz, Inc.

Next meeting is June 26.