



# Agenda

CITY CLERK'S OFFICE

DATE 11/12/14 TIME 2:00pm

STUDY BY Cyndi Catanaach

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OCCUPANCY TAX ADVISORY BOARD  
NOVEMBER 20, 2014  
CITY HALL COUNCIL CHAMBERS  
8:30A.M.

8:30 a.m. Regular Meeting

I. Procedures:

- a. Call to Order
- b. Approval of Agenda
- c. Approval of Minutes October 30, 2014

8:35 a.m.

II. Lodgers Tax Update –

- a. Lodger's Tax update - David Tapia

8:45 a.m.

III. CVB Activity Reports:

- a. Sales Report – David Carr
- b. Marketing Report - Cynthia Delgado
- c. Executive Director Report - Randy Randall

9:50 a.m.

IV. Meeting Schedule:

The next regularly scheduled meeting will be held on January 29, 2015  
at 8:30 a.m. in the City Hall Council Chambers

9:55 a.m.

V. Other Business

10:00 a.m.

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.

**SUMMARY INDEX**  
**CITY OF SANTA FE**  
**Occupancy Tax Advisory Board**  
**November 20, 2014**

<b><u>ITEM</u></b>	<b><u>ACTION TAKEN</u></b>	<b><u>PAGE(S)</u></b>
I. Procedures		
a. Call to Order	Quorum present	
b. Approval of Agenda	Approved as presented	1-2
c. Approval of Minutes - October 30, 2014	Approved as amended	2
II. LODGERS TAX UPDATE	Report by Teresita Garcia	3
III. CVB ACTIVITY REPORTS		
a. Sales Report – David Carr	Reported	4
b. Marketing Report - Melissa Segura	Reported	4-5
c. Executive Director Report - Randy Randall	Reported	5-7
IV. MEETING SCHEDULE: January 29, 2015	Announced	7
V. OTHER BUSINESS	None	7
VI. ADJOURNMENT	Adjourned at 10:00 a.m.	7

**MINUTES OF THE**  
**CITY OF SANTA FÉ**  
**OCCUPANCY TAX ADVISORY BOARD**

November 20, 2014  
8:30 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 Miguel Castillo on this date at approximately 8:30 a.m. in City Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fé, New Mexico.

**ROLL CALL**

Roll call indicated the presence of a quorum as follows:

**Members Present:**

Miguel Castillo, Chair  
Mary Bonney, Vice-Chair  
Jon Hendry [arriving later]  
Paul Margetson  
Terrell White

**Members Absent:**

**Staff Present:**

Randy Randall, Executive Director  
Melissa Segura, Marketing Coordinator  
David Carr, Sales Director  
Cyndi Catanach, TSF Staff

**Others Present:**

Teresita Garcia, Finance Department  
Carl Boaz, Stenographer

**b. APPROVAL OF AGENDA**

**Ms. Bonney moved to approve the agenda as published. Mr. White seconded the motion and it passed by unanimous voice vote. Mr. Hendry was not present for the vote.**

**c. APPROVAL OF MINUTES - October 30, 2014**

Mr. Margetson requested a change on page 5 where it should say John Fines, not John Dillon.

Mr. Hendry arrived.

**Ms. Bonney moved to approve the minutes of October 30, 2014 as amended. Mr. White seconded the motion and it passed by unanimous voice vote.**

Mr. Margetson pointed out that the occupancy report is never provided.

Ms. Teresita Garcia said City staff asked that the lodgers report their occupancy rate but it isn't mandatory on the report form so some do report and not others.

Mr. Randall asked Ms. Garcia what it would take to make it mandatory.

Ms. Garcia thought the Council would probably have to update the City Code to require it. One problem is that we don't know how many rooms are available and by what means they were reserved. The code would also need to specify what penalty would be imposed if they didn't report it. She explained that there were no guidelines regarding occupancy either.

Mr. Margetson said there were just two numbers: rooms available and rooms occupied.

Mr. Randall thought they could do it and it would provide occupancy stats based on 100% lodgers' tax. We could also do short term rentals. He agreed to work with Ms. Garcia, the City Clerk and the City Attorney to keep it as simple as possible.

Mr. White commented that Smith's report breaks it down by location.

Ms. Garcia said when the City put that block in the report form, some hotels wouldn't give us the information, so we must update the Code and give them guidelines on what is reportable. The room rates given are misleading. Because it doesn't tie to the taxes received. They said they didn't want to reveal their room rates.

Mr. Randall understood but pointed out that the individual hotel information isn't made public.

Mr. Hendry added that the City shouldn't ask for things we don't use. If buying real time data the credit card companies could give us something, we should do it. We could also chart the busiest days of the year and restaurants could use that for planning. And the City could avoid street maintenance on those days and know how much parking would be needed. We also need to know how much business we are doing in town. Uber has the proprietary software based on demand.

Ms. Garcia suggested maybe we need to identify what information OTAB needs and figure out how it fits within City policies for confidentiality, etc. and find some software that would do that.

Mr. Margetson agreed.

Mr. Hendry would like to have a conversation with IT about it. He wondered if the City was talking with each other's departments.

Mr. Margetson asked about the data from Sales.

Mr. Carr said it has been loaded and the Board has access to it now.

## **II. LODGERS TAX UPDATE - Teresita Garcia, Acting Finance Director**

Mr. Randall explained that Ms. Garcia understands the rationale on Lodger's Tax data and can also provide information on GRT.

Ms. Garcia said the November GRT report is from September revenues and was up by \$455,000 (6.2%) and 5.52% over the prior year.

Lodger's tax showed a decrease. Perhaps we need to do analysis from last year and show how it increased or decreased. It depends on the reporting.

Mr. Margetson observed that it is not apples to apples from month to month. Even with four months, the reported 12% is a bit of exaggeration. It is really about 6%. It is fiscal year vs. calendar year.

Mr. Randall said this report is the most complete and accurate. In Fiscal Year 14, the figures were overstated in September and it was corrected in the following month. The Rocky Mountain reports on about 70% of Santa Fe hotels. We need to have the data for marketing and to know if there were inaccuracies in reporting.

Mr. Margetson asked if any hotels didn't provide a report.

Ms. Garcia said Mr. Randall would have that information more than she would. She believed she could prepare a report that better meets OTAB needs rather than just cash. She agreed to meet with Mr. Randall to work on that.

Mr. Randall said one property did not report in September and it was income of about \$3,000.

Mr. Margetson asked that the Board be provided the Star Report too.

## **III. CVB REPORTS**

#### **A. Sales Report – David Carr**

Mr. Carr reported on a group in town with 2,000 attendees and he was trying to get them back in 2016 with an anticipated 2,600 attendees. Hopefully he would have good news to report on that.

Mr. Carr shared portions of his written report with the Board.

Mr. Margetson asked if Keystone was not coming.

Mr. Carr said this year they were only looking at two programs where they have had six programs. Heidi's husband just passed away so it has affected their business but our relationship is strong. He just had the Sales Director meeting and in the packet, were the 3<sup>rd</sup> quarter results which he shared.

They are sending out more leads and seeing more room night requests. There are fewer bookings with more room nights. He would like to be 10% above where they are right now and the last six months should give us the information needed for what we can expect. In January 29 we should have that all lined out - 10% up on room nights. He described how he would deal with requested room nights.

He will send out all leads to preferred caterers and they can reach out to them to help sell the event. He was trying to streamline that process for caterers and security.

Mr. Margetson asked if there were still 11 of them.

Mr. Carr said there will be some changes and additions to that list.

Mr. Hendry said there are possible union agreements to provide staff in uniforms etc.

Mr. Randall said that kind of service could be offered to them.

Chair Castillo recalled that was done before.

Mr. Hendry said, "That was us and we ended up doing 80% of the catering over there. They were happy because we would set up and clean-up. With the President's announcement tonight, we will have a lot more pool of workers available. We will look at the Center as a place to work."

#### **B. Marketing Report – Melissa Segura**

Ms. Segura Condé Nast recently recognized Santa Fé as one of ten best worldwide destinations. Travel and Leisure are doing the world's best awards and she is putting together a strategic plan for voting for us.

She reported that Santafe.org has relaunched a new design. At the end of October we had 20,000 more visits than the entire previous year and are on target for 1.3 million hits and that would be 200,000 more visits than last year.

At the Great American Brewer's Festival, Santa Fé Brewing and Blue Corn got special recognition. Santa Fe is one of country's best brewer cities in the nation so it's a new platform.

Mr. Hendry noted the website is much less cluttered. It is cleaner and faster.

Ms. Segura added that it is a responsive design and adapts to all platforms.

### **C. Executive Director Report – Randy Randall**

Mr. Randall reminded the Board of the RFP out for an ad agency with responses due by November 24. They had a lot of interest with verbal communications. He explained that they were not just going to pick the best response of the lot but would ensure they can do what needs to be done and if not, will figure out another way to do the job.

Mr. Hendry asked if that meant they might bring it in-house. Mr. Randall agreed.

Mr. Randall said the highest priority right now is to increase the size of the sales force. Right now we have three and that is not adequate. Last year's budget was based on getting \$8 million but we have been getting more than that for last two years. The City has said to hold our expenses. Right now we are \$450,000 above last year and will be over by \$700,000 at the end of the year.

Mr. Randall talked with the Mayor and City Manager to do a mid-year adjustment for that new amount which will allow TSF to add another sales person and the incentive plan for sales and increase the advertising component to give the season a better kick start. The Board's help will be important. We have to lobby the Councilors to help them understand how we have to market and sell Santa Fé. Probably Districts 3 and 4 are not looking at it as more than more expense but we have to spend money to get more revenue.

He and Mayor Gonzales met for two hours with the Southwest Coalition (lodgers on the south side). They feel they are not getting the attention they deserve. They want guaranteed assurance that their confidential information is not being shared with others (by staff). Mr. Randall assured them he would not allow that to happen. He invited them to the OTAB meeting but they are not here. And their attendance at Santa Fé Lodgers is about the same. We will work on sales force training to know how to sell south side hotels. The south side does generate about 35% of lodger's tax.

He reported he was still working on Santa Fé Pick Up services.

Mr. Margetson asked him about the airport plans.

Mr. Randall said they want to land 737 planes at the airport. The City had a study done and the airport landing rate is 88,000 tons and a 737 is 118,000 tons. It is wonderful for Santa Fé but we need to make sure it isn't a safety issue.

Mr. Hendry pointed out that the more that people land here, the more they send money to fix it.

Mr. Randall clarified that it is not the length of the runway but the load is wearing it out and need to replace it.

Mr. Randall said the Dual Language Group is in town now. We promised free transportation and Transit has provided that for us. It provides a real tourism service and is part of the \$300,000 that Transit receives each year from Lodger's Tax.

Mr. Randall announced decorations for Christmas at the Center will cost \$8-9,000.

He reported that the Santa Fé Guide goes to print tomorrow. He shared the cover with the OTAB.

Mr. Margetson asked if the state government inaugural would be happening here.

Mr. Randall said it would be in Albuquerque this year.

Mr. Margetson asked if GRT receipts were okay.

Mr. Randall said revenues were slightly ahead of last year.

Mr. Margetson asked if it would be possible for the Board to get these reports 48 hours ahead of the meeting.

Mr. Randall said everyone has a deadline and he would send what they received and bring the rest to the meeting.

Mr. Hendry thought the Southwest Coalition has to become a priority. We are going to be very busy with movies and Television being shot here. A monthly newsletter would help.

Mr. Randall said they send out a newsletter every two weeks. He would make sure that OTAB and Council members are on the newsletter distribution. One is focused on marketing and the second on sales.

Mr. Hendry clarified that he was talking about a city-wide newsletter.

Mr. Randall said Ms. Segura would get in touch with him for those ideas to include. But it has been designed for the industry. He agreed to work on that idea and figure out a distribution list.

Ms. Bonney asked about communicating the conventions coming to town.

Mr. Randall said that was on the web site. He said he kept hearing how bad we do but he knew they did better than that. The ratings depend on how we treat the tourists.

Mr. Margetson said it would be interesting if Mr. Hendry could provide a brief update on movie industry.



Mr. Hendry gave a brief update on what is coming back to Santa Fe for movies and television, noting that some of it was confidential.

Mr. Randall asked Mr. Hendry to keep Mr. Carr updated so he can alert hotels.

Mr. Hendry said the movie industry would bring in \$200 million in the next five months.

#### **IV. MEETING SCHEDULE – Next Meeting: January 29, 2015**


#### **V. OTHER BUSINESS**

There was no other business.

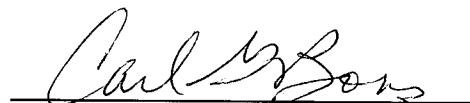
#### **VI. ADJOURNMENT**

The meeting was adjourned at 10:00 a.m.

Approved by:

  
~~Miguel Castillo, Chair~~  
Phuc WARDENSON

Submitted by:

  
Carl Boaz for Carl G. Boaz, Inc.