



Agenda

DATE 2/23/17 TIME 9:32am
SERVED BY Phyllis Ortiz
RECEIVED BY 8888

OCCUPANCY TAX ADVISORY BOARD

February 28, 2017 – 10:00 A.M.

CITYHALL

COUNCIL CHAMBERS

10:00 a.m.

Regular Meeting

I. Procedures:

- a. Call to Order
- b. Roll Call
- c. Approval of Agenda
- d. Approval of Minutes: October

10:05 a.m.

II. Final Reports

- a. CENTER — Laura Pressley
- b. Spanish Danzart Society — Stephanie Ramirez

10:20 a.m.

III. La Bajada Visitors Center — Randy Randall

10:30 a.m.

IV. Lodgers Tax:

- a. Update—Randy Randall

10:45 a.m.

V. CVB Activity Reports:

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

11:30 a.m.

VI. Other Matters by the Board

12:00 p.m.

VII. Adjournment

The next regularly scheduled meeting will be held on March 28, 2017,
at 10:00am in the Council Chambers.

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
February 28, 2017

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 - January 27, 2017	Approved as presented	2
La Bajada Update	Discussion	2-3
II. Final Reports		
a. CENTER – Laura Pressley	Reported	3-4
b. Spanish Danzart Society – Stephanie Ramirez	Reported	4-5
III. La Bajada Visitor Center	Reported	5
IV. Lodgers' Tax Report	Report by Mr. Randall	5
V. CVB Reports		
a. Sales Report	Reported by Mr. Carr	8
b. Marketing Report	Reported by Ms. Delgado	7-8
c. Executive Director Report	Actions Taken	6-7
VI. Other Matters from the Board	Discussion	8-9
VII. Adjournment	Adjourned at 11:45	9

MINUTES OF THE
CITY OF SANTA FE
OCCUPANCY TAX ADVISORY BOARD

February 28, 2017
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 Vice-Chair Jon Hendry on this date at approximately 10:00 a.m. in the Council Chambers at City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

b. ROLL CALL

Roll call indicated the presence of a quorum as follows:

Members Present:

Jon Hendry, Vice-Chair
Victoria Bruneni
Chris Hyer
Al Lucero

Members Absent:

Paul Margetson, Chair [excused]
Elizabeth Pettus [excused]

Staff Present:

Randy Randall, Executive Director
David Carr, Sales Director
Cynthia Delgado, Marketing Director [arriving later]
Phyllis Ortiz, Administrator

Others Present:

Carl Boaz, Stenographer

c. APPROVAL OF AGENDA

Under CVB Reports, the order of the reports was reversed, switching c with a.

MOTION: Member Hyer moved to approve the agenda as amended. Member Lucero seconded the motion and it passed by unanimous voice vote.

d. APPROVAL OF MINUTES:

MOTION: Member Lucero moved to approve the minutes of January 27, 2017 as presented. Member Hyer seconded the motion and it passed by unanimous voice vote.

II. Final Reports

a. CENTER – Laura Pressley

Ms. Pressley shared a handout with the Board. She said this was formerly a conference that turned into a festival to get national and international attention. It was performed as projected. She briefly reviewed the statistic and share reports from 40 reviewers.

A new festival pass was offered to entice 50 new attendees for workshops and special events. So about 74 more than normal attended and 50 were from out of state so they stayed in hotels. They originally reported 61 added room nights but found more. About 70-90 room nights were from people who came earlier and stayed later.

Ms. Pressley clarified that this is just one step in their effort of photo tours which can really expand here in New Mexico. She hoped to continue having the OTAB grant to get national advertising as part of their promotion. To increase 25% each year is their goal. Most attendees marked it on their calendars for future years. With the expansion, they need 3,500 meeting spaces for workshops and exhibits.

They focus their publicity strategy for digital advertising and all is done on web pages, dedicated e - announcements through purchase and use of mailing lists for major photo magazines. There were 14,000 international e addresses on it and achieved an open rate of 35%. They also purchased ads in high distribution magazines and provided dedicated email to Santa Fe Workshop participants.

They conducted an Instagram contest to entice out of town photographers and estimated a reach of 200,000 and over 300,000 impressions. They were successful strategies but needed to send them out earlier. They had only a limited time after getting the grant so most of them went four weeks beforehand. Next time, they want two e announcements produced. That would need more funding. It was a great partnership and helped to expand the brand and they expect future growth.

Member Lucero said it sounds good. He asked if there were demographics on attendees and also asked if they got any editorial press.

Ms. Pressley said most of the editorial was local. There was no national press except a well distributed blog by Lynn Scratch. Socio-economics were primarily 30-50 year olds of medium income plus a donor base that is more wealthy.

Member Lucero asked if they got zip codes.

Ms. Pressley said they did. They have all the information from attendees who purchased passes but didn't get all of the locals' information.

Vice-Chair thanked her for the report.

b. Spanish Danzart Society – Stephanie Ramirez

Ms. Stephanie Ramirez said their flamenco event was a really great event. They relocated all to downtown so it was more accessible. Total ticket sales were 3,105 with 1,007 from out of town, including 42 states and 8 countries. We were able to facilitate our event relocated on the Plaza. Total revenue was \$124,820.

They had immense tickets sales from concierges. There were a handful from other countries that they could not identify. For their other marketing, they used a brochure distributing throughout New Mexico, Colorado, and Texas. They also used Facebook, Twitter and Instagram. The most effective were calendars. Everything on line contributed most to ticket sales. Most people arranged for tickets prior to coming. Those will be repeated. She acknowledged that postings on the Tourism web site helped.

The only venue they will probably not continue is newspaper advertising. That was the least amount of sales.

She said they definitely need to learn more. Their social networking company took care of the enhancement. With so many visitors - dating back to tradition of flamenco that started in the 1960's means this is still the hotspot for world-class flamenco. Lots of opera goers came for flamenco - day trippers from Arizona and California caught flamenco when not at the opera.

The target audience is more mature but with social networking, they reach to all audiences. Most are 40-60. They also reach out to young folks. Many children come and up to 12 year-olds are free as well as all residents of Santa Fe. So some of them are youth who came. She asked people where they were from after the shows.

The number of hotel nights was difficult for them to discern. They need to strengthen their ability to get those numbers. Most are from California, then Texas, then Colorado. The rest are very small numbers. Most attendees stayed 3-4 nights.

They will hit Arizona hard for next year. The Company was commissioned in Texas so they really tried to get the word out for them.

Ms. Ramirez reported that she just came back from a seven-week tour with a NYC dance troupe and paraded Santa Fe on that tour.

She said they have a partnership with the International Folk Art Museum for a display there and will sponsor young people's trips to the museum. Lots of visitors who saw the exhibit at the museum came to the show.

Mr. Randall said even though they cannot keep track of hotel rooms, this is an incredibly important part of the culture of Santa Fe. To have it demonstrated is very important and he was pleased with it.

In response to some confusion by Member Lucero, Ms. Ramirez explained that they were at the Lodge for seven seasons performing and part of the year on the Plaza. Their headquarters is at the corner of Palace and Grant, upstairs. They have a 2,220 sq. ft. performance space. They would like to have flamenco all year round with visiting dancers from Spain and elsewhere. Their venue is called El Flamenco.

The New Mexico Community Foundation is upstairs but the other goal is that the space would stay open and have a year-round museum there for those who pioneered flamenco. Maria Benitez is one of their advisors. Although an official figure, all things go through her for what will work or not.

Member Lucero said Santa Fe maintains the flamenco culture. He asked if there is any way the Company could tie in with the Saturday performance by the City on the Plaza.

Ms. Ramirez agreed it is an idea to explore. For 2017, they will perform 100 times in Santa Fe. They are working on Flamenco for children with lessons. They will have a seven-week performance season. So, they could showcase the children too to encourage young people to get involved with flamenco dancing. The past two years, they have also been featured in Spanish Market.

Ms. Delgado recommended using the on-line calendar and said the Company put all of their performances on the calendar. She thanked them for doing that.

Ms. Ramirez said the majority of their sales come from that calendar. That is our strong ticket sales.

Vice-Chair Hendry urged more things done downtown. When the band stand is not being used, the activities are alcohol related. He said he had the original bar there (their headquarters) when the building first opened. It is a top place to do flamenco. He would like to explore with OTAB if we could help subsidize their tour to promote Santa Fe while they travel in return for branding Santa Fe on the tour.

He asked if the Danzart Society is associated with any federal money.

Ms. Ramirez said they were talking with NDI, who receive federal funds but it is just cordial conversations so far. They have an ongoing relationship with a foundation for the touring they do and the folks there are crazy about coming to Santa Fe. They are interested because they would like to make the trek to Santa Fe annually. Most of the stops are located in Texas. Pearl Brewery in San Antonio is turning into a folk-art space.

Ms. Delgado clarified that NDI has had federal money in past but not now.

Mr. Randall thanked both presenters today for their presentations.

III. La Bajada Visitor Center – Randy Randall

Mr. Randall said the lodgers in Santa Fe love the idea of support for the Visitor Center as long as they don't have to put money into it. The Visitor Center is one of three expansion items in the budget. When the budget is approved, we will know what is available. It would take \$120,000 to have it open 5 days a week all year long. We would fund half and the rest from participation through northern New Mexico. He is looking to Santa Fe County, Rio Arriba County, Taos County, Taos Ski Valley and others. There is also a retail component there. We are not paying rent there and could experiment with Santa Fe retail for those who don't come into Santa Fe. He estimated it could be about \$20,000 in sales revenue.

He said they would work with DOT to get the signs changed.

Member Lucero asked him to promote it with the Restaurant Association - They would benefit greatly and he agreed to set up a presentation in about three months.

Mr. Randall suggested April would be a good time to present.

He explained that he has had talks with the Santa Fe County Manager but it needs to get approvals at the City first.

IV. Lodgers' Tax Update – Randy Randall

Mr. Randall said the report is a cash flow report in the packet. It doesn't give YTD comparative results. The month of December was up 28% over the previous year.

Mr. Randall highlighted the Rocky Mountain and STR reports and summarized the downtown finished at 42.6% in the downtown facilities. Cerrillos Road was up a point. He hoped that February would be at least flat with the previous year. He also provided in this month's packet a chart of which hotels fit in each category (downtown, Cerrillos Road and periphery). The second page showed supply and demand.

The Board briefly commented on the results.

Mr. Randall said the resorts should have lodgers' tax but that legislation probably would be vetoed by the Governor.

Vice-Chair Hendry noted that La Posada didn't charge him any GRT or Lodgers' Tax.

Mr. Randall said the other report in the packet is a quarterly Finance Report for the City. Page 6 has a lodgers' tax comparison but it only picked up the 4% column.

V. CVB Activity Reports:

c. Executive Director Report – Mr. Randall

Mr. Randall briefly explained the budget process which is restrictive because he can't put in any expenses that don't have revenue sources to pay for them. He projected conservatively in the General Fund and aggressive in Lodger's Tax revenue.

He and the City agreed on \$10.8 million. And if we continue to see growth, we might go for a budget adjustment mid-year. Last year was \$9.5 million. The great news is that we are already covering debt service in the Convention Center. So, that can be used to offset operations in the Convention Center and makes public funds available for marketing. It means about a \$400-500,000 increase in marketing and a good increase in payroll. They will look at a 4% increase with 1% for merit increases for staff and about \$150,000 among CVB, Arts Commission and Convention Center. Other expansions include an event manager and an implementer of the culture plan. He was required to rank all expansions so the event manager is #1 and culture plan is #2 and the visitor center at La Bajada as #3. He hoped all three would be approved. If you want, members could talk with councilors about it. The rest are related to existing programs.

Member Lucero asked how does this \$10.8 million compares with the State's spending.

Mr. Randall said it is hard to compare because of our debt service, etc. The State has about \$7.5 million for advertising.

Member Lucero asked what happened with the \$150,000 excess collection for lodgers' tax.

Mr. Randall said it sits in fund balance. It is allocated at the existing percentages into the fund balances.

Mr. Randall said the request of the Northern New Mexico Airline Alliance went through Finance last night and Council for \$15,000 dedicated to that contract. Taos Ski Valley will match that amount. Volunteers doing it as a secondary responsibility wasn't getting it done. There was another request to Finance for \$100,000 for marketing for airlines this year to come from fund balance.

Member Bruneni said if Fly Santa Fe could put that into every lodger's email for their web site, it would help.

Mr. Randall said they are trying to do that. That is an awareness piece. We have a new agency to handle outbound marketing to ourselves. Stewart will focus on that. Marketing for Northern New Mexico is to use the Santa Fe airport. There is \$190,000 for inbound marketing. He explained why it needs to be approved by Finance. It requires a professional service agreement to have it allowed. The Alliance is getting stronger and will have more focus. They are presenting at Los Alamos Rotary Club today. His goal is \$350,000 from outside of these sources.

Mr. Randall announced that he and Ms. Delgado will be in Berlin to receive an award on Sense of Place. Santa Fe is one of 15 finalists in the world. We will push it in the press and if we win. There will be a lot more press.

Mr. Randall mentioned the article today about Garret's Desert Inn. The Legislature is trying to pass a bill to make the State Land Office abide by the historic regulations in Santa Fe. OTAB members should contact legislators about it.

He added that there is a proposal for small hotel on the Lensic parking lot with 65 rooms.

Member Bruneni said Land Use supported it.

Vice-Chair Hendry asked what the County will do with their old building.

Mr. Randall said they plan to keep using it and restore it the way John Gaw Meem designed it.

He said that Mr. Carr and Ms. Delgado are going to forego reciting stats and deal with program.

Mr. Randall departed the meeting.

b. Marketing Report – Cynthia Delgado

Ms. Delgado reported that www.Santafe.org has new high impact photography. This layout plays very well on mobile devices. They are looking at 60% on of www.santafe.org coming from mobile devices.

Working in support of many amazing art exhibits here, Santa Fe Celebrate is an umbrella marketing the museum's 100th anniversary, with other museums, to all the big markets to drive it as a key program that hotels can use. She shared a summary on advertising and talked about the highlights from it. Our web site is what we point all advertising and social media to. It has an improved work process so it allows a shorter time for advertising. We continue to be very aggressive and expanding to markets that favor our lifestyle include Montana. She provided a list of who they met with.

The received visiting press outside of FAM from the Arizona Republic. They are ramping up our Arizona effort because of the new flight coming in from Phoenix.

In working with Brand USA, they brought six Japanese media here.

Ex Officio is a high-end travel brand and they are here doing a photo shoot and will provide a social media packet to talk about Santa Fe. The Inn at Loretto was our hotel partner. El Rancho de las Golondrinas will be a site and Vice-Chair Hendry provided a van for them.

Her last big piece was that they are working, as Mr. Randall updated the Board, on the Northern New Mexico Air Alliance. The real focus is on inbound and they will provide collaborative support.

She included all of her statistics in the printed handout.

Member Bruneni liked the Kids Free Campaign which is still a positive thing. Particularly in March it is a nice segue to focus on kids. She commended Ms. Delgado on it.

Ms. Delgado pointed out that Santa Fe is great for families to come and she will continue to push it.

She said she will be going to Denver and Dallas Travel Adventure shows in March and April.

Member Lucero mentioned that Al Roker is here interviewing Shirley MacLaine and should be on NBC soon.

Vice-Chair Hendry said two major motion pictures are to be filmed here and another pilot called "Scalp" about casinos.

Ms. Delgado said she will start looking for Al Roker.

a. Sales Report – David Carr

Mr. Carr said he reduced his handout from 100 pages to 7 pages.

He said room nights are down.

The American Bus Association set up a FAM trip in December to show Santa Fe to the tour operators. Three have shown interest.

Last month he went to Phoenix, making a hard push on supporting the flight. Currently, a sales mission to send out to partners calls for e-centers and third parties. Tim Harmon will go to the Phoenix MIC show. Mr. Randall and Mr. Carr will be at the Venture trade show there.

He announced that Mona Baca from the Visitor Center is now a Sales and Marketing Assistant.

He is doing a connect meeting in Silicon Valley and a luxury planners' meeting in San Francisco.

Page 3 shows the strategic database research report that was contracted.

He is looking at the Phoenix area. Out of 24 possible, he has appointments with 3 in May.

He noted that at one time, he reached out to five planners at General Mills and now there is only one.

Mr. Carr said he would enhance the report with more colorful graphics next time.

VI. Other Matters by the Board

Vice-Chair Hendry made comments about marketing in Silver City and Tucson.

Mr. Carr noted that a lot of people still perceive Santa Fe as a hot temperature place.

Vice-Chair Hendry suggested having a billboard at the Phoenix airport with digital readout of the current temperature in Santa Fe.

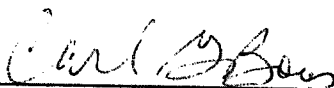
VII. Adjournment

The meeting was adjourned at 11:45 a.m.

Approved by:


Paul Margelison, Chair

Submitted by:


Carl Boaz for Carl G. Boaz, Inc.