

# SACRAMENTO TOURISM MARKETING DISTRICT

## MINUTES

### Regular Meeting of the Tourism District Committee

Monday, October 24, 2016

Visit Sacramento

1608 I Street, Sacramento, CA

*The original agenda was prepared and posted in compliance with the provisions of the Ralph M. Brown Act noting that board action may occur on any identified agenda item.*

#### **A. Call to Order / Roll Call**

Committee Chair Doug Warren called the meeting to order at 11:09 a.m. and conducted a roll call of the committee as follows:

##### **PRESENT**

##### Committee Members

Zone 1: Liz Tavernese and Scott Vandenberg

Zone 2: Sami Qureshi and Doug Warren (Chair)

##### Visit Sacramento Staff

Steve Hammond, Mike Testa, Sonya Bradley, Sarah Atilano, Brad Hillard, Dan Santucci and Sherlynn Clifford (*Recording Secretary*)

##### Sacramento Hotel Association (SHA)

Teresa Stephenson, Executive Director

##### Guests present for a portion or the entire meeting

Bob Daly, Rotary Club of Sacramento

Rebecca Gordon, Pony Express Marathon

##### **ABSENT**

##### Committee Members

Zone 1: (One Open Position)

Zone 3: (One Open Position)

Zone 4: Jeroen Gerrese

#### **B. Public Comments – Matters Not on the Agenda**

Chair Warren called for public comment on items not listed on the agenda; there were no matters presented.

#### **C. Committee Composition**

##### 1. Resignation of Committee Member

Warren reported that Clint Reed (Zone 3) had resigned from his committee position and that Steve Young was slated to be considered by the SHA Board of Directors for appointment to this position.

##### 2. Appointment of Committee Member(s) by SHA Board

Teresa Stephenson said appointment of STMD Committee members is scheduled for the next SHA Board Meeting on November 18, 2016. Young is expected to be nominated and approved for the Zone 3 position at that meeting.

#### **D. Review and Approval of STMD Tourism Committee Meeting Minutes**

##### 1. Regular Meeting: April 11, 2016

Warren said that the minutes of April 11 include the committee's discussion regarding the time spent on presentations of funding applications. Steve Hammond said the topic was presented because of the number of applicants at each meeting. Stephenson then read the language to be inserted into the Fund Application Guidelines.

Scott Vandenberg asked about the revised language referenced on page 7 and noted that a sentence was omitted regarding the Chair's authorization to waive the time requirement. The change was noted and the correction to the minutes regarding new language for addition to the Application and Guidelines will now read:

**Presentation of a Funding Application**

- For a funding request of less than \$5,000: the application presentation requirement is waived; however, a three-minute application presentation option is available, plus Q&A as requested by the STMD Committee.
- For a funding request of more than \$5,000: up to five minutes is allowed for application presentation, plus Q&A as requested by the STMD Committee.

In addition, the STMD Committee Chair shall be authorized to waive the time requirement as warranted in his/her estimation or at the request of a STMD Committee member.

Vandenberg also asked about the fund application from the Sports Commission regarding the Amgen Tour of California and whether that was a profitable event. Accountant Dan Santucci said the event did not net a profit and was something Visit Sacramento has to invest in. Vandenberg also asked about the fund application for Girls 14U Fast Pitch World Series National Championships and whether organizers received the \$10 rebate mentioned in the motion. Hammond said it was responsibility of the applicant to arrange the rebate directly with the hotels. Brad Hillard added the event underperformed so he didn't expect much in commissions.

There being no further discussion, ***Sami Qureshi motioned to approve the April 11, 2016 minutes as submitted; Doug Warren seconded. [Vote: Unanimous]***

2. Special Meeting: May 26, 2016

There being no discussion, ***Scott Vandenberg motioned to approve the May 26, 2016 minutes as submitted; Liz Tavernese seconded. [Vote: Unanimous]***

3. Regular Meeting: July 11, 2016

There being no discussion, ***Scott Vandenberg motioned to approve the July 11, 2016 minutes as submitted; Sami Qureshi seconded. [Vote: Unanimous]***

**E. FY2016-17 Zone Funding Applications for Review or Approval**

1. Zone 1: Economic Impact Study for Assessing Convention Center Expansion (Initial Request: \$5,000)

**Presenter(s):** Scott Vandenberg, Hyatt Regency Sacramento

**Presentation:** Vandenberg said that as part of the convention center expansion project the City has requested an economic impact study so they can determine the proper size of the expansion to maximize benefits. The study is \$60,000 to be paid as follows: the City and Greater Sacramento will pay \$20K each; and the Downtown Sacramento Partnership, Visit Sacramento, STMD and Region Builders will pay \$5K each.

**Committee Review:** Liz Tavernese asked if newly elected Mayor Darrell Steinberg would like the study completed prior to taking office. Vandenberg said yes as the results will be used to determine if the City is being aggressive enough or more funding resources are needed. Hammond said he expects the results will validate the work done in the past few years and the report should be completed after Steinberg takes office.

VandenBerg explained the current expansion cost approved by the City is \$170M but that does not include an increase in meeting rooms on the second floor, a new ballroom, or a new hotel connector that would cost another \$100M. VandenBerg added the City has already increased the budget from \$200M to \$270M for both projects (the Community Theater renovation and Convention Center expansion). Hammond said the study will help move decisions forward with the final approval on the expansion expected in April 2017. Tavernese asked how funding for the study would be distributed and VandenBerg said it should be for Zone 1 since the expansion primarily benefits the downtown properties. Hammond said approval should include recognition of the SHA for their contribution.

***MOTION: Liz Tavernese motioned to approve the application as submitted for \$5,000, which will partially fund the City's \$60,000 economic impact study of expanding the Convention Center. Credit is to be given to the Sacramento Hotel Association for their contribution; Scott VandenBerg seconded. [Vote: Unanimous]***

2. Zone 2: Active Minds (Approval Pending from July 11, 2016 Meeting: \$7,500)

***Presenter(s):*** Sami Qureshi, Hilton Sacramento Arden West

***Presentation:*** Sami Qureshi confirmed the DoubleTree was added as a second hotel for booking rooms for this event.

***MOTION: Liz Tavernese motioned to approve the application originally submitted in July due to the addition of rooms at the DoubleTree Hotel; Doug Warren seconded. [Vote: Unanimous]***

3. Zone 4: California Community Colleges: Student Senate Fall General Assembly (Initial Request: \$5,500)

***Presenter(s):*** None

***Presentation:*** Warren said the request is for transportation between the Lions Gate Hotel, DoubleTree and Crowne Plaza to McClellan Conference Center during the conference.

***MOTION: Scott VandenBerg motioned to approve the application as submitted; Liz Tavernese seconded. [Vote: Unanimous]***

4. Zones 1-4: Sacramento Bacon Fest (Initial Request: \$15,000)

***Presenter(s):*** None

***Presentation:*** Warren said the event was the same weekend as Grape Escape. Mike Testa said it was a good event and gets good media coverage, though he didn't think generated many room nights.

***Committee Review:*** Discussion included comments that it was more of a benefit to restaurants. Hammond suggested contacting the applicant to see if they could move the date so it would not conflict with Grape Escape, and explain their application needs to include hotel rooms for at least two properties.

***DECISION: The committee declined to approve the application due to the lack of generating hotel rooms. [Vote Unanimous]***

5. Zone 1: RCMA Emerge 2017-Hyatt and Sheraton (Initial Request: \$4,000 for each property)  
**Presenter(s):** Scott VandenBerg, Hyatt Regency

**Presentation:** VandenBerg said both properties attended this conference in the past two year which proved to be successful in generating business. Sarah Atilano said both properties co-op with Visit Sacramento for the tradeshow booth.

**Committee Review:** Warren said he thought both properties should be funded by their respective marketing budgets, and not the STMD. VandenBerg said both properties meet the Guidelines for submitting an application and neither property included funding for the conference in their budget as they were not sure results from their attendance would be a success. VandenBerg added that because Sacramento recently hosted the conference, attendance would continue to strengthen relationships. In addition, the dates of potential religious conferences are typically scheduled during need periods in Sacramento.

**MOTION: Liz Tavernese motioned to approve funding for both properties for up to \$8,000 (\$4,000 each); Sami Qureshi seconded. [Vote Unanimous]**

6. Zone 1: Pony Express Marathon 2017 (Initial Request: \$15,000)

**Presenter(s):** Bob Daly, Rotary Club of Sacramento; and Rebecca Gordon, Pony Express Marathon

**Presentation:** Daly said their inaugural event in early 2016 was a success with runners representing 22 states and four countries. The marathon netted a profit of \$80K. Daly said they have been putting a lot of effort into attracting participants from outside the area as they have great local support. The event is scheduled for April 30, 2017 and they anticipate 4,500 runners for the 5K and full marathon. Gordon said 80 room nights were booked at the Embassy Suites and 37% of the runners came from outside the region. Unfortunately, her research does not show from what areas so she said they will be improving their tracking methods. Daly added this event is a qualifier for the Boston Marathon.

Hammond asked Daly if there was a way to survey the runners about where they are coming from. Gordon said they plan on working more closely with the Sheraton and are revising their survey to include asking for this information. Hammond said that information would be helpful, especially for any other organization that may ask for assistance.

**Committee Review:** VandenBerg asked where the race is run and Hillard said in downtown Sacramento and Garden Highway, starting at the Capitol. Hillard said they need to improve their signage so neighborhoods have advance notice; Testa said the event has the potential to grow in a fashion similar to the California International Marathon.

VandenBerg reviewed the ROI at \$2,400, after which Warren suggested approving a lower amount of \$5,000. Sonya Bradley said their application did not report any outside marketing so Testa suggested approving the application with the caveat that approved funds are for outside marketing. VandenBerg suggested a rebate program instead with contracting hotels so room nights can be tracked. Bradley said that would be doable as Visit Sacramento's Expedia account has a tracking code. Hammond said he liked both ideas and the committee agreed it was important to verify room nights.

***MOTION: Liz Tavernese motioned to support the Pony Express Marathon by asking participating hotels to offer a \$10 rebate on each guest room consumed that would be booked through Visit Sacramento's website's special events page, which is open to all participating hotels in all four Zones. The rebate would be paid from STMD Zone funds. For accounting purposes, Visit Sacramento estimates the approved request at \$5,000; Scott Vandenberg seconded. [Vote: Unanimous]***

**F. Zone Funding and Post Event Recap Reports**

1. FY2015-16 Final Zone Funding Financial Report 6/30/16

Santucci distributed the final zone funding report for fiscal year ending 6/30/16.

Vandenberg mentioned his interest in tracking the 1% contingency/renewal going forward. Vandenberg asked the committee whether they would rather keep the contingency as part of the budget or create a policy on how it should be managed. The committee decided to discuss the topic further at the January 9, 2017, meeting.

2. FY2016-17 Zone Funding Financial Reports: Summary and Detail 9/30/16

**Summary:** This report reflects funding approved by fiscal year, including how much expensed to-date.

**Detail:** This report reflects actual collections for the first four years; then current budget using zone percentages from the previous year.

3. Post-Event Recap Reports

The following post-event recap reports were distributed for the committee's review prior to the meeting: RCMA Emerge 2016-Hyatt; RCMA Emerge 2016-Sheraton; Pony Express Marathon 2016.

**G. STMD 2017 Renewal Update**

A revised timeline regarding renewal of the STMD was distributed. The change reflects the City's public hearing on November 1, 2016, followed by a second hearing and adoption of the resolution on November 10, 2016.

**H. New Business**

When discussing language changes to the Guidelines earlier in the meeting, the marketing slogan was also mentioned as needing some changes on the Fund Application form.

***After committee discussion, Scott Vandenberg motioned to revise the marketing slogan acknowledgement on the Fund Application to read: "Funded in part by Visit Sacramento through funds generated by the Sacramento Tourism Marketing District."; Liz Tavernese seconded. [Vote: Unanimous]***

**I. Future Meetings and Agenda Items**

Sherlynn Clifford provided the regular quarterly meeting dates for 2017; however, she noted the meeting date of October 9, 2017 is also scheduled for the SHA Annual Golf Tournament and so recommended a date change.

**J. Adjournment**

Chair Warren adjourned the October 24, 2016, meeting at 1:10 p.m.