

SACRAMENTO TOURISM MARKETING DISTRICT

MINUTES

Regular Meeting of the Tourism District Committee

Monday, July 10, 2017

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 11:02 a.m. and conducted a roll call of the committee as follows:

PRESENT

Committee Members

Zone 1: Scott VandenBerg

Zone 2: Sami Qureshi and Doug Warren (Chair)

Zone 3: Steve Young

Sacramento Hotel Association

Teresa Stephenson, Executive Director

Visit Sacramento Staff

Steve Hammond, Sarah Atilano, Betsy Longmire, Dan Santucci, Sherlynn Clifford (*Recording Secretary*)

Guests present for a portion or the entire meeting

Casey Carhart, Deschutes Brewery

Ginger Levert, Hilton Arden West Sacramento

Cheryl Goldfarb, McClellan Conference Center

Yvonne Magneheim, DoubleTree by Hilton

Elisia Gonzales, Entercom

Lance Richard, Entercom

Rebecca Gordon, Runnin' for Rhett

Randy Seevers, Runnin' for Rhett

ABSENT

Committee Members

Zone 1: Kathleen Gilbey and Liz Tavernese

Zone 4: Vacant Seat

B. Public Comments – Matters Not on the Agenda

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

C. Review and Approval of STMD Tourism Committee Meeting Minutes: May 8, 2017

There being no discussion, *Sami Qureshi motioned to approve the May 8, 2017 minutes as submitted; Steve Young seconded. [Vote: Unanimous]*

D. Committee Composition

1. Election of Vice Chair

Warren recommended Kathleen Gilbey be appointed to the Vice Chair position. As she is not present at this meeting, he will contact her to confirm acceptance, and will follow up with a motion for approval at the next meeting on October 10, 2017.

2. Committee Member Changes by SHA Board

Warren reported Jeroen Gerrese's position representing Zone 4 has ended after leaving the Lions Gate Hotel. The SHA Board plans to appoint David Huber, general manager of the Crowne Plaza Sacramento Northeast, to the committee to complete Gerrese's term at its next meeting on August 18, 2017.

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

1. Zones 1 and 2: CA Democratic Party-ADDENDUM (Initial Request: \$3,645)

Presenter(s): Ginger Levert, Hilton Arden West Sacramento

Presentation: Levert said the application for funds is an addendum to the original request of \$8,050. The funding is needed to cover additional costs for transportation due to the accessibility needs of some of the conference delegates.

Committee Review: Qureshi said that transportation for the delegates had already been approved so they had no choice but to provide the additional service. Steve Hammond suggested that in the future, if there's only a few requiring accessibility transportation, that utilizing Yellow Cab accessible vans be considered as an alternative. Qureshi said this organization asked the additional service to be added to the existing contract.

MOTION: Scott VandenBerg motioned to approve the application as submitted; Doug Warren seconded. [Vote: Unanimous]

2. Zone 2: 162nd Most Worshipful Grand Lodge Annual Conference (Initial Request: \$11,000)

Presenter(s): Yvonne Magneheim, DoubleTree by Hilton

Presentation: Magneheim said the group was part of the Masons and this was their largest conference. There are 600 delegates registered to date and more than 1,500 room nights booked, with overflow outsourced to other Point West properties. The application is for transportation between all properties, including Crowne Plaza in Zone 4.

Committee Review: Qureshi said he reviewed the overflow figures and 69 rooms are already booked at another property. Sarah Atilano said four properties are involved thus far with 2,523 room nights booked for 5 nights. VandenBerg said the request meets ROI.

MOTION: Doug Warren motioned to approve the request based on a split of 70% to Zone 2, and 30% to Zone 4; Scott VandenBerg seconded. [Vote: Unanimous]

3. Zone 4: Claims Conference of Northern California (Initial Request: \$6,000)

Presenter(s): Cheryl Goldfarb, McClellan Conference Center

Presentation: Goldfarb said this was an annual group and that 398 room nights are booked thus far between the two properties of Lions Gate Hotel and Crowne Plaza. The request is for transportation between the two properties to McClellan Conference Center.

Committee Review: VandenBerg said the request meets ROI.

MOTION: Scott VandenBerg motioned to approve the request as submitted; Doug Warren seconded. [Vote: Unanimous]

4. Zone 2: City of Trees 2017 (Initial Request: \$15,000)

Presenter(s): Lance Richard, Entercom

Presentation: Richard said the City of Trees Festival is in its third year and will be over the same weekend as Farm to Fork events. Richard distributed a brochure that included statistics on prior year results, including attendance and the regions within California where attendees purchased tickets. This year's music headliner is Blink 182. Richard explained the funding will help advertise the event outside of Sacramento and will be marketed to include the Farm to Fork Festival as "Sacramento Music Weekend."

Richard said he's booked air time on radio stations in San Diego, San Francisco and Los Angeles, and plans to do an on-air ticket promotion to increase traffic. The request for \$15,000 will match their expense of \$15,000 and more.

Committee Review: Warren said the application shows the advertising expense is mostly print and newspaper. Richard said that reference is for the underground market and a majority of the expense is online and on-air. Richard added they do mostly digital marketing but will also use social media (i.e., Facebook), which proves to be very successful. Warren asked if they had the ability to track hotel information and Richard said yes, they will be tracking online results to determine how many people click to hotels. The data is collected by zip codes and prior history shows approximately 2,500 people came from outside the region so that's the number used to project room nights. Sarah Atilano said Visit Sacramento staff will be working closely with them to help track room nights. Atilano asked for last year's report by zip codes and Richard said he would provide.

Steve Hammond thanked Richard for the great working relationship between Entercom and Visit Sacramento and added Mike Testa, who was unable to attend the meeting, is in full support. Hammond said Entercom is a great asset that can help grow the Farm to Fork events in future years.

MOTION: Sami Qureshi motioned to approve the request as submitted; Scott VandenBerg seconded. [Vote: Unanimous]

5. Zone 1: Sacramento Street Pub 2017 (Initial Request: \$21,000)

Presenter(s): Casey Carhart, Deschutes Brewery; Randy Seevers and Rebecca Gordon, Runnin' for Rhett

Presentation: Carhart said Deschutes Brewery has been selling beer in the Sacramento region for 20 years, and has managed this event for the past two years with attendance of 21,000 last year. They partner with DBI Beverage and Runnin' for Rhett for the event, which is duplicated in five other cities throughout the nation, although Sacramento is the only California city. Carhart said they bring in a crew from Oregon, invest a large sum, and part of their proceeds go to Runnin' for Rhett.

Seevers shared some background about Runnin' for Rhett, which helps raise funds for after school children's programs. His business also helps provide volunteers for the Street Pub event. Rebecca Gordon added they are now able to track hotel room nights and last year's report showed results of about 1,000 room nights. Casey said the approved funding from last year helped with marketing to the Bay Area with the results of 25% in increased attendance. Carhart said that craft beer is becoming increasingly popular so he believes the attendance will be even greater this year.

Committee Review: Hammond agreed the craft beer scene is growing and asked the presenters if they would be interested in creating a longer-term relationship to do events, vs. doing an annual event. Carhart said that would be a great idea but that conversation would need to include Joey Pleisch, Deschutes Field Marketing Manager. Seevers said he would be willing to sign a 10-year agreement right now; however, Carhart said Deschutes prefers to showcase their beer in various cities. Hammond said that both Visit Sacramento and the STMD are seeking to create signature events so he would like to have that conversation about the added components that make Sacramento different.

Warren said the Street Pub was a great event but expressed concern about the application being submitted for a second year and used as an annual source of income. Hammond said the larger question is about recurring annual applications and that it may be time to think about approvals that could include caveats about Sacramento exclusivity for Northern California events, among other things. Hammond then suggested Visit Sacramento staff meet with them soon to develop an outline for the future. After reviewing the ROI, VandenBerg suggested approving the same amount as last year.

MOTION: Scott VandenBerg motioned to approve \$16K (same as last year) with the caveat of meeting with Joey Pleisch to discuss a longer-term plan; Sami Qureshi seconded. [Vote: Unanimous]

F. Zone Funding and Post Event Recap Reports

1. FY2016-17 Zone Funding Financial Reports: Preliminary 6/30/17

The committee reviewed the following reports: Dan said all figures are preliminary.

- a. Contingency/Renewal Funds as of 6/30/17
- b. Preliminary Application Funding Report as of 6/30/17: Dan Santucci said this report only reflects the remaining funds at 6/30/17. It does not include budgeted amounts for fiscal year 2018. The 2018 budgeted amounts will be included on the 9/30/17 Application Funding Report. VandenBerg said the committee previously agreed to carry up to two years then rollover the excess funds to Visit Sacramento's bid support budget. Hammond said the committee also needs to talk about setting funds aside for assisting with future sports facilities and asked VandenBerg to review the STMD Guidelines for discussion at a future meeting.
- c. STMD Summary of Zone Funding as of 6/30/17
- d. STMD Detail of Zone Funding as of 6/30/17

2. Post-Event Recap Reports

The following post-event recap reports were distributed for the committee's review prior to the meeting: Sacramento Street Pub 2016.

G. Approve STMD Portion of Visit Sacramento Draft Budget FY2017-18

There being no discussion, ***Scott VandenBerg motioned to approve the STMD portion of Visit Sacramento's FY2017-18 budget; Sami Qureshi seconded. [Vote: Unanimous]***

H. STMD Management District Plan: Renewal July 1, 2017

Sherlynn Clifford said she would be posting the renewed STMD Management District Plan to the website soon, and will also review the Fund Application Guidelines for any changes.

VandenBerg asked Hammond to explain the uses that were being discussed for additional funding if the STMD committee decided to approve an increase to the zone funding percentages. Hammond said Brian Larson had suggested that the STMD committee should consider raising the STMD zone percentages so Visit Sacramento could commit to covering the total cost of inconvenience, displacement and/or relocation of customers during the convention center expansion. Hammond added that Larson said he had communicated this recommendation to some members of the committee and would be reaching out to others with whom he hadn't yet had the conversation.

VandenBerg said the committee’s discussion should focus on whether they want to consider a zone increase at this time. VandenBerg said he spoke to Larson and that Larson thought the committee would be interested in increasing the zone percentages; however, VandenBerg personally thought this was not the right time. Doug Warren and Sami Qureshi agreed; and Steve Young added that the balance of funds available for Zone 3 are already not being spent so now is certainly not the right time for Zone 3.

VandenBerg said that part of his concern is that it would send a wrong message to the City. If approved, City Council and staff may begin to think of the STMD and Visit Sacramento budgets as a source of funding for other City projects. VandenBerg said that opportunities to assist the City should be reviewed on a case-by-case basis and funding for displacement or relocation of customers during the convention center expansion could be a three-way partnership to include the City, the STMD and Visit Sacramento without any increases to the zone percentages. ***The unanimous consensus of the committee was to not increase the zone percentages at this time.*** VandenBerg said he would call Larson and inform him of the committee’s decision.

I. STMD Annual Report to the City: August 15, 2017

Hammond said that staff prepares the annual report that is first submitted to the City in July and scheduled for approval by City Council on August 15. Hammond said the annual process is to first get approval of the STMD portion of the annual budget so those figures can be used for the annual report. Sherlynn Clifford then explained the report is for the coming year and for 2017-18, includes the map change to Zones 3 and 4, as outlined in the renewed Management District Plan taking effect July 1, 2017.

J. New Business

VandenBerg asked if Sonya Bradley had developed an online tracking system for room nights yet. Atilano said she’s working with Jack Rabbit and aRes. VandenBerg said he was anxious to finalize this program so the STMD committee could instruct promoters to use this system.

K. Future Meetings and Agenda Items

The next regular quarterly meeting is scheduled for October 10, 2017.

L. Adjournment

Chair Warren adjourned the July 10, 2017, meeting at 12:31 p.m.