

Minutes
NEW MEXICO TOURISM COMMISSION MEETING
The Blake at Taos Ski Valley, Looking Glass Room
116 Sutton Place, Taos Ski Valley, NM 87525
Tuesday, August 15, 2017
2:00 p.m.

Interim Chairman Chris Stagg called the meeting to order at 2:09 p.m.

Roll Call

Commissioners present:

Interim Chairman Chris Stagg
Commissioner John Garcia
Commissioner Jennifer Kimball
Commissioner George A. Brooks
Commissioner Scott Hutton
Commissioner Emerson R. Vallo

Commissioners not present:

Commissioner Belia Alvarez

Approval of Agenda: Motion was made by Chairman Stagg to approve the August 15, 2017, agenda and passed.

Approval of Minutes: Motion was made by Chairman Stagg to approve the May 10, 2017, minutes, and passed.

Introduction of Guests:

Chairman Stagg asked everyone attending the meeting to introduce themselves and to state the district or organization they represent. He also welcomed State Representative Jimmie Hall to the meeting.

New Mexico Tourism Department

- Marketing & Programs Update - Rebecca Latham, Cabinet Secretary
 - Launch of fall/winter print ads showing 15 examples of our culinary, lifestyle, and travel opportunities in publications like Food Network Magazine, Southwest Spirit, American Way, Outside Magazine, D Magazine, Texas Monthly, and Austin Monthly. Starting in October, we'll first show the non-skiing, then later more of the snow sports, but plan to keep it quite diverse. "Where the Rockies Begin" with an emphasis on *begin*, not *end*, was introduced last year. We have high-impact airport placements in Dallas, San Diego, and Phoenix, and digital in Dallas, DFW, Houston Intercontinental, and Phoenix. These are some of the static displays, a collage approach that has one large hero with one simple message, also coupled with images that are uniquely New Mexican. Our advertising

effectiveness study shows us what images work best to motivate travel and change awareness in certain markets.

- Radio ads – for the past three years, we’ve done specifically-focused ads for males and females, to be broadcast in our key Texas markets – Austin, Houston, and Dallas – (also on HULU, NBCU, and other premium video partners). A larger portion of our media buy is going into digital advertising (closer to 35%), because it’s cheap, tractable, and it’s working.
- Social media is doing remarkably well - it’s really where the bulk of our performance measures with the legislature come into play. We track our engagement rate, our view-to-completion rate, and a host of other metrics that tell us how we’re performing engaging with the traveling public, as well as growth. Social media is not just about numbers – it’s really quality over quantity.
- This winter, we’re emphasizing stories - like “Stories worth passing down” and “Create your own story.” New Mexico True Stories - the New Mexico True Story on Pie Town has an August 22 release date. Recent Longwoods research tells us visitors to New Mexico seek out unique culinary experiences, and also touring, which is why we did an entire summer road trip promotion. September 8th is the Pie Town Festival. True stories were originally for the in-state pride section of our strategic plan, but we’ve found they show incredibly popular locations and people, and are very successful on social media.
- The Website – we’re now live with the new NewMexico.org, as of 2 weeks ago – and offering Premium Partnerships to local businesses. Ads on the site for Co-op make a good revenue stream of \$100-\$200/month. Also, we have featured offers, featured events, and featured deals and discounts; it’s strong for the regional drive market. The enterprise budget for co-op advertising can double our budget – a great revenue stream.
- Co-op Advertising Program – \$500K is the total budget for MMP. In phase one, for 26 partners, it totals \$441,354. What we grant out is spending authority - NMTD does not front the money, we just present the opportunity and cost, and arrange for the discounted ad buy. The Flex funding plan is for ad buys that we don’t currently usually support, like a billboard, but we will work with a business who wants to do that. For phase 2, Application for the Preferred Rate Program is open until 8/22.
- Partner Opportunities
 - Travel Media Showcase – for 5 partners, is \$20K
 - Chef Marc Quiñones, currently executive chef at Albuquerque’s Hotel Andaluz, won third place in the Great American Seafood Cook-off on Food Network.
 - Upcoming FAM trips – NMTD has 8 scheduled over the coming year – are getting high-quality journalists
 - IPW 2018 – will be in Denver – International Pow Wow and travel professionals
 - Venturesome Traveler Blog – launched constant pursuit of new content – our staff is writing stories and doing video that’s roots-related. Co-op partners to us - we’re getting the tourism industry to assist with content, and we can work with major publication brands to publish.
 - ATLAS Program – we’re working to establish a meaningful feedback/recognition program for staff excellence in NMT teamwork, leadership, and service, plus community service events. Participating peer-to-peer nominations for each month, and quarterly drawings for ATLAS winner for something notable.
- Secretary Latham said Santa Fe will be hosting the National Governors Association Summer Meeting (NGA) in July 2018. About 30-35 governors and 1800 attendees are expected. This will be a huge economic boost for Santa Fe and surrounding areas. The host state must raise

\$1.5M-\$2M for the event, a Thursday-Saturday time frame. We need suggestions on unique and memorable experiences for social/spousal events. Five hundred rooms are now secured for governors and staff, etc., but we'll need a lot more. We'd like the Commission's help – there'll be a huge impact at the airports, for housing, car rental, and restaurants. NMTD will be offering suggestions for pre- and post-conference ideas for travel/excursions, as well as spousal programming and agenda – we would like assistance with this.

Chairman Stagg recognized and welcomed State Senator Burt and State Representative Larranaga to the meeting.

- **Suzy Lawrence – Rural Pathways Project**

Overview – The Tourism Development Division was started last fiscal year. Its purpose is to encourage communities to submit proposals for actual tourism product infrastructure funding. The program was successful – three great projects came to completion.

What she learned by working with these communities out in the field was that the need was not just for the dollars, but more for capacity-building to create product to increase revenues within the communities. That requires smarter investments on our end and on the local level, she said.

Through that came the RPP – a program where we assist tourism stakeholders within NM in developing profitable tourism products by providing the necessary tools, resources, and support, through 20 hours of programming (5 meetings) in that community. RPP aims to develop existing assets into tourism products that fully embody the NMTrue brand promise to deliver adventure steeped in culture.

The goals of the program are:

- Develop authentic experiences that are aligned with our true brand promise
- Drive economic impact and create jobs by stimulating local economies through development of strategic tourism products that prove the ability to provide returns to those communities that they serve
- Engage stakeholders in constructive conversations on how best to capitalize on tourism trends, sparking creativity and ownership for stakeholders to accept opportunities
- Encouraging not just our municipalities to be involved (involve *everyone* in tourism efforts), but also the local business owner, or the cycling enthusiast who wants to promote the wonderful trails within their communities; show how they can assist in building a profitable product
- Connect and diversify the tourism industry with leaders & other industries

This is a very dynamic model tourism product development model that we have created – we expect it to be ever-changing as we go through this capacity-building process with our communities. We focus on strategy, product development, organization, marketing, and then evaluation: going back to those metrics to prove we're investing our dollars wisely. All the hours spent within the communities with the steering committees follow this model.

Session overviews include setting strategic direction, study the local workforce & economic data, identify strengths and weaknesses for project concept, map existing and desired assets, develop and focus on an attainable vision.

5 Goals for the Product Development Model

Idea

Stakeholder commitment

Fueled by action

Rural tourism marketing
Creating solid foundation for lasting results

Cycle 1 - Silver City Corporation for Downtown Development was chosen

They have a robust project concept committed to revitalizing cultural heritage tourism throughout the community. This project is to revitalize an historic walking trail with live re-enactments for 1-2 seasons; the next 2 seasons, they plan to provide some kind of augmented reality application that would provide the same experience. They were chosen due to their strong focus on cultural tourism, which is very NMTrue. They also have a vigorous steering committee with members from both the private and public sectors.

Workshop schedules will be public
Cycle 2 – information is on the NMTD website
Application Process Opens 9/15/17 and closes 9/29/17
Ends at the end of the fiscal year

Question from the audience – “which communities have participated so far?” Secretary Latham said that this is the first cycle for this program, but that last year, NMTD assisted Nambe Pueblo, the Village of Ruidoso, and Los Alamos.

Comment from Chairman Stagg – he said he very much appreciated NMTD’s help to these communities with tourism development, since many communities don’t necessarily have the expertise to plan and develop their own projects.

• **David Griscom – NMTD/EDD on Outdoor Recreation Update**

David commented that what Suzy is doing with the RPP program is an important component to what the department is working to accomplish: working with communities to develop a product, and then working with them to market that product.

David said there has been much talk about economic development and tourism with respect to outdoor recreation. The Outdoor Industry Association sent out a recent report to document the importance of the industry in our economy. It found that the outdoor recreation industry is bigger, at \$887 billion, than the pharmaceutical, motor vehicle, telecom and utility industries. With this impact on the economy, lots of states have developed Offices of Outdoor Recreation (CO, UT, WA, WY, MT). Vermont has instead created an Advisory Committee for Outdoor Recreation. In NM, House Memorial 91 and Senate Memorial 119 were adopted last session to establish an Office of Outdoor Recreation. The Economic Development Department and the Tourism Department have been asked to analyze the potential cost and the economic impact potential for setting up this office. A great thing to come out of this is the closer working relationship between our two departments, he said. The memorials also call for the departments to reach out to the NM industries involved and gather information from them, like best practices, evaluation of such an office, what cost and scope of work there would be. In August at a reception he heard there is some traction with the New Mexico Partnership to reach out to the outdoor recreation industry to facilitate their possible expansion into doing business in NM. Interestingly, David said, when he spoke to retailers, their perspective was more aligned with tourism than economic development – that is, they were connecting first to New Mexico on an emotional level before they looked for economic incentives

and numbers. David thinks they should have some updates on opportunities by October to present to the LFC.

Chairman Stagg thanked David and asked for comments or questions.

Commissioner Brooks said he'd like to recognize Dave Norton, who is on the National Ski Area Operators Association Board of Directors. Commissioner Brooks said Mr. Norton would be going to a meeting D.C. in September, and they'd likely discuss the Vermont program. He said he thinks Ski NM would probably be in favor of this, and could pull together all the outdoor recreational people in NM together to work with both the EDD and NMTD, and some type of grouping of those people could be beneficial for our state.

Mr. Norton said he thinks the outdoor recreational advisory board is a great way to kick off - it sounds very promising. The state has so much to offer and he really likes the idea and supports the initiative. He's been here since September and is still discovering the state, but said the mountain biking is phenomenal, the fly fishing is great, and you have beautiful mountains. If there's anything from he can take with him to Washington D.C. to representatives there, he would be happy to do so.

David Griscom responded that he has seen that when these businesses look into relocating, they are increasingly looking to see if the state has one of these offices of outdoor recreation – that sends a signal to the industry that from a policy standpoint, it's important to the state. He said kudos to the state legislature for having the foresight to recognize the power of this industry. From an economic development position, it could really help our recruiting opportunities.

Senator Burt asked if there was any contact with tourism, the True campaign and the military bases in the state; he said the staff cycles over about every two years for the majority of the people on each base, and they really look for opportunities for outdoor activities and experiences. The four bases in the state have thousands of military personnel, and not only their families, but also friends and other relatives may want to come visit them – they'd want to have places to take them for activities and recreation in the state. The more they patronize tourism sites in the state, it will support more NM jobs, and boost in-state tourism.

Secretary Latham thanked Chairman Stagg and Senator Burt for bringing this point up. She said that while our department does not deal directly with the base personnel, that our regional marketing boards do, as an extension of NMTD. However, she thinks it would be a point to revisit.

Senator Burt asked if Secretary Latham might consider meeting directly with base commanders, that it might make a stronger impression and add weight to anything the regional marketing boards might be providing already.

Commissioner Garcia asked to respond, and he said that Ski NM has a program offering discounts for personnel at the bases. As a view from working with the Jobs Council, he thinks it's also an opportunity, he said, to work on having the military personnel consider an extended stay in New Mexico, or to consider retiring here. He said nobody markets the state better than NMTD.

Secretary Latham said she will ask her colleagues at ESTO/U.S. Travel Association about marketing to military personnel in their states. There may be standard practices that would be applicable and helpful.

Chairman Stagg thanked everyone for their comments, and said we do need to keep in mind that the military personnel have 2-year turn-over, and to keep providing them information to promote New

Mexico. We have a military ski pass, a season pass here at TSV that can make it affordable for families, he said. Also, the outdoor recreation association might be an opportunity to look into one of the P-3 type partnerships, where industry and government can work together to develop an economic base. There may be a lot of opportunities to leverage our efforts and funds.

The Chairman introduced Courtney Tucker, who runs the Chamber of Commerce in Taos Ski Valley.

Guest Speakers

- **Courtney Tucker, Taos Ski Valley Chamber of Commerce**

She provided copies of their new Visitor Guide, that resulted from a collaboration with TSV, Inc., the Town of Taos, and the Taos Ski Valley Chamber. They had produced 3 different guides, but now have one version by leveraging together their resources, energy, and lodgers tax. Distribution has doubled – a wise use of budget gave them the ability to tap new airport markets like Phoenix, San Diego, and Tijuana, Mexico. She thanked David Norton, Sandy, and Carina for all their hard work. They are now planning distribution to coincide with events. She said thank you to Rebecca Latham, since she learned some of this from working with her in the Enchanted Circle group.

Some of the distribution avenues and events:

Collaboration with the TSV staff to distribute at trade shows

2016 Up & Over Trail Run / Alabama Shakes tour (and extend the stay for 2017 Texas runners)

Corina mentioned upcoming Taos area events:

Airport Ribbon Cutting – Aug. 25th (31 years in the making)

Regional economic tourism summit Oct. 25 in Taos

End of Sept. events – Michael Hearn & bands, Barn Dance, Market (Sept. 9-10). It's been running for 14 years. They have 3-4 major summer concerts.

Taos Pueblo has more going on towards winter

Movies on the Green

Chairman Stagg thanked Courtney and Carina for their information. He recognized Commissioner Vallo, who asked Corina about collaboration with the local tribes regarding photos. Last year they collaborated with Illona, Courtney said, doing print-ready photos for tribal events; there is a shortage of them for brochures and guides. Commissioner Vallo asked if she would work to clarify which photos are possibly sensitive images and not usable for print. Courtney said she will work with Illona and others to ensure sensitive images are not used for publicity.

- **Stuart Kirk, Fly Santa Fe / Northern New Mexico Air Alliance**

Stuart thanked Chairman Stagg for his introduction and opportunity to speak.

- The Northern New Mexico Air Alliance, he said, is focused on the Santa Fe Airport, but it's really to stimulate economic growth throughout Northern New Mexico. The Town of Taos, Los Alamos, the County of Los Alamos, the County of Santa Fe, and the City of Santa Fe Tourism, businesses, and individuals have all contributed to help raise \$500,000 to support this effort.

- He said the point is to show the critical link between air service and economic growth. If you don't have good air service accessible to your community, then economic development will be increasingly difficult - not only for tourism, but for people who need to raise money for projects, businesses, or to attract employees.
- The federal government recognized the need for air service – when the airline industry was deregulated in 1978, the Essential Air Service Act was created to directly subsidize airline service for small communities that were a minimum of 200 miles outside of major hub airports. In 2000, they recognized that this left many smaller growing communities inside the 200-mile radius without air service. They created a new option for this situation - the Small Community Air Service Development Program - the program we're involved in, he said. It is not a subsidy, but a grant program, and it's up to the community how to spend that money. They can spend it on advertising/marketing to increase the use of their airport, feasibility studies, or can use it to provide additional air service – which is what NNMAA is doing.
- We spent \$200-300K promoting the airport. A third of the people in Santa Fe didn't realize their airport existed, and we didn't have any service going towards the west. There had been a flight to Los Angeles, but American Airlines re-organized and decided to make Phoenix a hub to feed the west coast, Hawaii, and Mexico, terminating service to LA. But in Dec. of 2016, we got the Phoenix service back. After promotions, flights went from 35% filled, to about 85% filled.
- Travelers want flights to northern New Mexico, but the airlines don't want to risk expanded service. The grant helps the community share the risk of increased/new flights and helps with promotion of the increased flights from Santa Fe. It's continued to grow.
- We also have a state grant for \$200,000 (a matching grant also, \$.50 for every dollar we spend). We've marketed in Los Alamos, Taos and Santa Fe. Our flights have grown and gotten stronger out of Santa Fe – we have 3 round-trip flights daily to Dallas, 2 round trips daily to Denver, and the flight to Phoenix. American has also increased the size of aircraft from 50- to 70-seat aircraft for the Dallas run.
- We're now thinking to add another route – perhaps to Chicago, San Francisco, or Houston. It usually takes about 20-25 months to confirm whether a route is a success.
- Other than flights, we're doing a few other things besides marketing & advertising – we've set aside money to beautify the terminal area, with new landscaping in front. We especially want to make a good impression on the attendees flying in for the upcoming Governors conference. We have a landscaping plan and we have new art posters.

For those interested in a grant:

- Get the airline on board with the plan ahead of applying for the grant
- Must have the community's commitment
- Encourage groups to apply for the largest grant you can – bigger amounts have been more successful

• **Gabrielle Chavez Lopez, New Mexico Hospitality Association**

Gabrielle introduced herself, saying that she would provide an update for the NMHA, since their president and CEO, Jen Schroer, could not be here today. She said they have lots going on in the fall:

- One initiative is continuing their strategic partnership with ACI, the NM Association of Commerce and Industry, with their common ground initiative. Chairman Stagg is involved, as well. They will travel the state with newly-elected legislators to inform them on general business priorities and make sure tourism is at the forefront of those priorities moving forward. As part of this New Mexico tour, working with tourism stakeholders around the state, visiting five destinations in the north, and five in the south, they'll discover their challenges and opportunities for growth for their localities. NMHA plan to inform the local tourism champions on these stops, inviting legislators, commissioners, and the Tourism Department to be part of that discussion. This will help inform us on what our advocacy priorities as a state-wide association should be.
- We'll be in Taos in late September and late October – Carina is our tourism champion, and rallying the community here. We'll send more information about details for that soon.
- The Top Hat Awards will be held on November 14, at the Hotel Albuquerque. They recognize excellence in the industry for our destinations. We have opportunities to nominate (in about 2 weeks) highly-successful marketing campaigns, community projects you want to highlight. Hotels can nominate their staff members who are making a difference. At the Top Hat Awards, we'll also be distributing the first round of scholarships to students studying hospitality and tourism. We now have an endowed scholarship fund.
- The TRENDS Conference and annual meeting will be in January (date to be confirmed after Labor Day), and it will be coupled with Tourism Day at the Roundhouse, to showcase our industry and report our findings from the regional tourism mini-economic summits; it will be a one-page snap-shot on what the state feels are our opportunities for economic development.
- The Governor's Conference on Hospitality and Tourism is set for May 6-8, 2018, at the Inn of the Mountain Gods, in Mescalero.

Secretary Latham remarked on the discussion about Tourism Department having a presence during the legislature. She thanked Gabrielle, Jen, and the association for putting this together so there will be a tourism presence at the Roundhouse, to celebrate and bring attention to how incredible this industry is, and to tell the stories of the people behind all the great numbers.

- **The New Mexico Clean & Beautiful Nominating Committee**

- Secretary Latham explained that, as a reminder, that HB218 changed the composition of the C&B Advisory Committee, formerly 32, now moving towards 11. In May, Commissioner Kimball stepped up to lead the efforts to establish a nominating committee. She said David and his team have been working with Commissioner Kimball.
- Commissioner Kimball told the group, we do have our 5-member nomination panel, made up of: Robert Windforce from Grants, Jenny Tourey from Cloudcroft, Geno Romero from Espanola, Patrick Peck from Las Cruces, and I stepped in as the fifth. If you're on the panel, you can't be on the advisory committee, and lots of people want to be on the advisory committee. We'll get resumes and bios in and review them for the advisory committee – if anyone knows someone interested, please point them in our direction.

Chairman Stagg said thank you to Commissioner Kimball. Let's go to reports from the commission members.

Reports from Commission Members

Commissioner Garcia – said thank you for hosting us today - it's great to be here in this gorgeous hotel.

Spaceport is still moving forward; NMTD and Virgin Galactic have been very supportive. Guy's Family Road Trip (on the Food Network), which includes New Mexico – the episode is coming up on Friday.

Regarding the UNM Ski Team – in April 2017 the athletic director decided to eliminate the university ski team – they were the national champions in 2004, and #1 student athletes in the university. We have a new agreement with the athletic department for a 2-year commitment to come up with a model; working on a public-private funding. Since skiing is a \$500M industry in New Mexico, we have a significant amount of private funds for the student athlete program, as well as support from state and national entities.

Commissioner Brooks – Ski New Mexico Board of Directors met in June. One challenge is finding options to grow the sport. Affordable/accessible school programs could get kids more involved at a younger age. We'll be involved in appointing a committee for the UNM Ski Program. We're partnering with NMTD for 'How To' videos for skiing, and also (using TD's preferred rate program) pushing out "Skiing is NMTrue." We're looking to drive more winter business with the winter program, and creating more of a presence at the military bases with Ski NM.

Ski area updates: Santa Fe is shoring up snow-making; Red River and Angel Fire are working hard on their summer business. Sipapu is building a new hotel and base lodge. Pajarito is creating a summer event schedule. Ski Apache is working on a mountain bike trail system and their zip line. Sandia Peak is working on their restaurant.

Commissioner Vallo – Regarding FAM tours NGA tours, he'd like to see them visit the tribes, especially Acoma and Taos. The Tour de Acoma on September 17 – a 25/50/100-mile bike tour. On September 2nd, please come to Acoma Feast Day – you can walk the mesa and enjoy the food; it's open to the public. He belongs to AIANTA, which has its September 12-14 annual meeting in Green Bay. AIANTA represents the more than 500 tribes to promote tribal tourism.

Commissioner Hutton – Santa Fe is busy with Indian market this weekend, Zozobra coming up after that, Wine & Chili, Fiestas; site SF had a major \$5M renovation, Meow Wolf is now the top Instagram place in NM (has had 16M views), and the European news has picked up information on it, as well. He thanked Stuart for the information and update on Fly Santa Fe.

Chairman Stagg -- It's our honor to host the LFC in the next few days. The new hotel opened in February. This summer, we're doing \$13M in new improvements, including slopes reconstruction and renovation. We're installing 2 new lifts, one a small gondola, which transports people to and from the village area to the children's center. We're replacing 2 old lifts with a new triple-chair, mostly serving the children's area. We will also do a \$3.5M renovation of the children's center. As you can see, we're looking to make TSV more family-friendly, and soften the image that we're *only* for expert skiers. The LFC reception will be starting at 5:00pm, and you're all welcome.

Public Comments

The director of tourism for Taos Pueblo, Ilona Spruce, mentioned that they are rebuilding their marketing and branding program to show the public a more educational view (updated website),

that Taos Pueblo is a living community. The annual Pow-Wow was very successful this year; Feast days at the end of July went really well. They are expecting a large group for the September 30 Feast Day. Road construction is completed. She introduced their new tribal planner, Amanda Montoya.

Next Meeting

Secretary Latham proposed that the next meeting should happen in Silver City, which will highlight the current Rural Pathways Project there. She said the department is so looking forward to NMTD's new tribal staff member, Aimee Awonohopay, who will be starting soon.

Adjournment:

Meeting adjourned at 4:26 p.m.