

Minutes
NEW MEXICO TOURISM COMMISSION MEETING
Gutierrez-Hubbell House
6029 Isleta Blvd. SW, Albuquerque, NM 87105
Thursday, August 9, 2018
10:00 a.m.

Interim Chairman Chris Stagg called the meeting to order at 9:56 a.m. Chairman Stagg said they would like to move through the agenda today, as some of the commissioners have commitments immediately following, and he appreciates the effort to be succinct, while covering the issues.

Roll Call

Commissioners present:

Interim Chairman Chris Stagg
Commissioner John Garcia
Commissioner Jennifer Kimball
Commissioner George A. Brooks
Commissioner Scott Hutton
Commissioner Belia Alvarez
Commissioner Emerson R. Vallo (arrived 11:15am)

Commissioners not present:

Commissioner Jennifer Kimball

Introduction of Guests:

Chairman Stagg thanked our hosts at the Gutierrez-Hubbell House and said it's a beautiful facility. He said one of the real benefits about being on the tourism commission is that they get to see wonderful things around the state they wouldn't ordinarily get to see, and said how much he appreciates places like this. He then asked everyone attending the meeting to introduce themselves and to state the district or organization they represent.

Approval of Agenda: Motion was made by Chairman Stagg to approve the August 9, 2018, agenda and passed.

Approval of Minutes: Motion was made by Chairman Stagg to approve the May 9, 2018, minutes, and passed.

Welcome to Gutierrez-Hubbell House from host Carrie Moritomo, with the Office of Community Engagement and Outreach, Bernalillo County.

Carrie welcomed the group to the Gutierrez-Hubbell House. She introduced Diane Reese, one of the Friends Group members of the Hubbell House Alliance, the group that highly encouraged the county to purchase the property, improve it, and turn it into the gem it is today, she said. She welcomed the group to stay for a lunch and tours of the museum and the fields after the meeting.

Diane said she's thrilled to have the group here today, that she's been on the board of directors for the past 5 years, and the focus for the property is education - cultural, traditional, and agricultural. They have one large fund-raiser every year; this year, in June, they had the Fermentation Festival, a partnership with Edible Magazine and Bernalillo County. In 2019, they'll hold the festival in October. They have programs to educate everyone on the history and the agricultural aspects of the property. She encouraged everyone to please return and bring their families.

- Update from Visit Albuquerque – Emily Howard, VP of Marketing, Communications and Tourism (6:07)
 - Events they are promoting:
 - Civic Plaza – lots of destination development going on
 - Sawmill District has new development: the new Chaco Hotel and lots happening at Los Poblanos; there are art-tech houses and a technical museum
 - Wineries and Breweries – lots of activity
 - The new turquoise museum is opening soon in the Castle downtown in a month
 - The Tram restaurant is under development, and they are working on plans for the mountain coaster
 - Convention Center has been busy with conventions, meetings, and sports
 - Just hosted the National Veterans Golden Age Games, which had 2200 attendees; also the Senior Olympics. They'll host the National Senior Games in the summer of 2019.
 - August 28th is their Annual Luncheon Meeting, please join them at the downtown Hyatt
 - Somos ABQ is in a couple of weeks – an art, technology, and music festival in downtown Albuquerque
 - They're gearing up for Balloon Fiesta
 - 80th Annual State Fair coming up
 - Albuquerque Hopfest
 - Globalquerque – music festival September 21-22, at the National Hispanic Cultural Center
 - Dragon Lights Albuquerque Festival/Chinese cultural festival at EXPO New Mexico, starting in early October
 - Dia de los Muertos Marigold Parade, early November
 - They're really proud of key media mentions and PR rankings:
 - Expedia just named Albuquerque one of the 15 under-the-radar cities you need to visit; Fedora published a great article: "Experience Albuquerque's Native American communities, cultures, and sacred sites." She encourages everyone to read it. Albuquerque ranked third on America's Best Small Cities list. A recent article in **Skift**, discusses the innovation happening in Albuquerque and how that's bringing business to the Convention Center and to local meeting planners.
 - Change in Advertising Strategy – they're now into nine markets, since July 1st

Chairman Stagg thanked Ms. Howard for the information, and asked for any questions or comments. There being none, he introduced the next speaker.

- **Update on the Albuquerque Sunport – Nyika Allen, Director of Aviation**
 - Ms. Allen is the new Director of Aviation for the City of Albuquerque. The Aviation Department runs the Sunport, the new business park, and the Double Eagle Airport. She said it's a \$67-million/year organization, for which they make and spend their own money;

they do not receive taxpayer dollars. Their current initiative is a transparency project, she said, and she welcomed members of the group to come for an airport tour.

- They have two new major developments, one being the construction of a retail and aviation-centric park on a currently empty, development-ready 80-acre plot of land. She said they are working on an MOU with a local company for this upcoming development. They also have a grant for other construction, the “Terminal Improvements Project,” that includes lighting and HVAC upgrades.
- They’re looking to ramp up their air service – Albuquerque’s airport is already one of the best in the country at getting new flights and routes, she told the group. They’re in process of adding new flights to/from San Antonio on Frontier, which is a new destination. They’re also working towards adding international flights.
- Enplanements: she said they’re very pleased with the latest figures. Their YTD is up 13%, which means more tourists for New Mexico. For FY18, they had 5.2 million enplanements, which is an 8.7% increase, the largest increase since 2004.
- Marketing project – Ms. Allen said they are offering millions of dollars in marketing packages – in credits and incentives for advertising of new routes – in order to bring more people to the state. They consider themselves the “first face of New Mexico,” and she’s hoping to partner with Albuquerque and New Mexico True to help with their marketing program.

Chairman Stagg asked if summer is the peak of travel to New Mexico. She replied that summer months are big for them, and the rest of the year shows small peaks and valleys, perhaps reflecting events like Balloon Fiesta, etc. In answer to his question on the latest figures, she said the month of June was their best month, with 500,000 enplanements.

Commissioner Brooks asked her exactly what enplanements are. She said it refers to someone traveling one direction, not transfers.

Commissioner Garcia asked her whether they are working with the Air Force on the 80-acre site. She said they are working together, that they’re looking at an airport investment district that would be inclusive of the Thunderbird Park. She said they’re considering doing a collaborative national marketing campaign for all of it – their Aviation Center of Excellence, and also the developments happening south of them at Mesa del Sol and Sunport South. They’re also looking into adding such things as a foreign trade zone.

Chairman Stagg thanked Ms. Allen for attending and informing the group.

➤ **New Mexico Tourism Department**

▪ Update – Cabinet Secretary Rebecca Latham

- Governor Martinez announced in July that 2017 was another, the 6th consecutive year, of record-breaking figures in annual visitation, with one million more visitors than the year before; New Mexico had 35.4M trips in 2017. This means we have 5.6M more trips than in 2012, when New Mexico True launched, she said. Also, 65% of the 35.4M trips are from out-of-state visitors – in 2010, 55% of the trips were from out of state.
- We also have a 3.3% increase in overnight travel, which is out-pacing the U.S. average of 2.1%.
- Economic impact and jobs – New Mexico saw a 19% increase over 2016 – this is all about economic impact and jobs for our state. In 2017, New Mexico saw an increase of

1700 new leisure & hospitality jobs, which is a 19% increase over 2016. We have a total of 17,000 new leisure and hospitality jobs in NM in the last 7 years.

- The governor will announce the new figures in the fall, probably in October, and it's expected that she'll focus especially on the economic impact. Not every restaurant or hospitality position is supported by tourist spending, so we will be adjusting for that.
 - We've kicked off our 18th annual New Mexico Magazine Photo Contest, which will run through early November. We've tweaked the categories and added a new mobile category for younger entrants who want to enter photos from their phones, she said. We have all the information at: nmmagazine.com/photocontest. Our New Mexico True Adventure Guide production is in full swing, and we'll be distributing it Jan. 2nd. If anyone is interested in purchasing advertising space, the deadline is Sept. 23rd. The fiscal health of New Mexico Magazine couldn't be better. They have a very healthy fund balance and have worked hard to curb spending and be creative with resources.
 - The 2019 Wall Calendars – pre-orders are going on currently.
 - The NM Magazine – it has new editorial staff: our new art director, John McCauley, senior editor, John Davies, and Carolyn, our CEO – they've all been working hard to create a freshened look and younger feel for this 95-year-old publication. They're also working to develop a 2019 editorial line-up, considering a music issue and a green chile issue she said.
 - Rural Pathways Project – the program is open, and what's new is that we'll keep the program open until the money allotted is spent. Submit applications to Suzy Lawrence.
 - Tourism Development and PR are collaborating to celebrate Hispanic Heritage Month, which is Sept 15-Oct 15. Tourism Development has worked on finding the best Hispanic heritage experiences in New Mexico, and our PR team is pitching it nationally, as Hispanic travel continues to grow as the demographic grows. We want the National Hispanic Cultural Center's Genealogy Center to be on everyone's radar, and we want to inform and encourage both national and in-state travelers of Hispanic heritage to experience New Mexico. She said they're getting ready to pitch it.
 - Regarding our Administrative Services Department, she said, their 2017 audit came back as "no opinion," which means they're "A-OK." We're about to get to our 2018 audit, for which we'll have results in December.
 - We have True Tours coming up in Farmington, Harding County, Belen, and Carlsbad. Recently our team has been to Roswell, Mora, and Silver City.
 - We have a new PIO, Mary Elizabeth Robertson, handling local media in the state, and she will also be the commission liaison.
 - Positions open: Magazine Senior Editor; Digital Marketing & Communications Specialist; Keep New Mexico True Program Coordinator/Grants Administrator. We are interviewing for Financial Specialist for the KNMT/C&B Program.
- New Mexico True Marketing Program – Erin Ladd, Marketing Director, and Aimee Awonohopay, Public and Industry Relations Director
- Erin - Presented the planning for FY19, saying all our strategic planks (build the brand, fuel in-state advocacy, unify & lead the industry, and require rigor) – are the basis on which we build our programs, to support them, whether in PR, advertising, or new initiatives that we're looking to launch.
 - New Mexico True in-state pride and locations for the fly market and drive market – the in-state media buy for the in-state marketing kicks off next week with the *NM True 30* sites, an interactive map on our website for visitors, showing the top-30 need-to-see spots in New Mexico; we're building a NM-based bucket list, even for long-time

residents. The department will be focusing media promotion of this initiative from August through October.

- Drive market: focuses on advertising to people who know about New Mexico, but need a reason to travel here. We do a lot of dedicated event-based marketing for them. The co-op program, a grant-based program, just started for the FY19 cycle, with e-news blasts and a Facebook campaign. Entities and communities all over the state utilize this information, and it is primarily focused on the drive market.
- Fly market: we're using video quality and getting on all viewing platforms. The focus is on venturesome travelers in Chicago, Dallas, Austin, Houston, San Diego, and Phoenix. Plus, these are media markets we can succeed in joining, she said. Awareness, education, and inspiration – that's what we're trying to hit with fly markets. We have a content partnership with Matador Network.
- Niche markets for culinary, art, artisans – these drive the emotional travel market and immersive experiences.
- Spring-Summer print ads - examples
- DFW and Dallas Love airports – we do a lot of ad-effectiveness studies that show what works best for each market; we're optimizing images. For example, for Phoenix and Dallas, we amp up water, snow, adventure, and culture.
- 30-second family spot for spring/summer commercial-based broadcast
- Just about to start fall/winter marketing ads, for both male and female focus for broadcast
- Niche markets are a large part of what drives the emotional travel experiences, the personal experiences.

Aimee - Highlights of earned media, January through July, 2018

- The 50 Most Beautiful Landscapes in the World - included in this list are the Bisti Badlands within the Navajo Nation in New Mexico.
- 30 Top Getaways in Albuquerque made the U.S. News and World Report
- Pecos National Historical Park just made the list of 17 of The Best Places to Visit in the United States
- PR contract with HUB Destination Marketing (national) – Media Missions, press trips, trade shows such as Sept. Travel Media Showcase, Media Marketplace, etc.
- We'll be hosting 15 top national journalists this year throughout the state. It's based on the writer's specific interests – so we'll help develop itineraries and host them around the state. Contact Aimee if you're interested in more information about this program.
- We'll be at 3 specific trade shows this year: Travel Media showcase, in September, at Niagara Falls; International Media Marketplace in NY, in January; and IPW, an international travel trade show, in June. We participate in deskside media, where we meet with 10-30 journalists, and pitch our destinations in the hope we'll build relationships and schedule press trips for them to get coverage of New Mexico in major media outlets.
- Secretary Latham said these are both co-op opportunities, so we're using department resources to offset the cost for our partners. It is very expensive to attend IPW, and is very expensive to buy advertising through Brand USA, so we're using some of our co-op dollars. For IPW, we will (as in the past), pay the \$30,000 to go to IPW, then we can offer it as a partner opportunity for about \$2,000-\$2500. It would normally cost us substantially more, but since we're spending \$100,000 in FY19 for Brand USA, there are co-op opportunities that they will be shopping out. This way our industry partners can spend \$5,000 rather than \$15,000, since the Tourism Department is picking up the bulk of the cost.

- All our industry partner opportunities go out through Tourism Talk

Commissioner Hutton asked if there's a maximum number of participants you can have. Secretary Latham answered that last year with IPW, we had three partners that came with us (the department), but several – Albuquerque, Santa Fe, Las Cruces, and Gallop – came on their own, so we just had them line up next to us. So there's really not a limit.

Erin discusses Co-op Programs – The FY18 program was great, and we've just kicked off our FY19 grant funding she said. Secretary Latham said the figures are about \$500,000 in FY18, and about \$600,000 in cash in FY19. The industry matched the funds in FY19 with \$756,000 – this gives us a gross media value for FY19 of \$1.57M, she said.

- Erin said they are just finishing a big media buy on behalf of the NMTrue-Certified Program - the NMTrue-Certified Sweepstakes - with over 15,000 entries. We work with the growers, makers, and designers, here in New Mexico, for made-in, grown-in, born-in, and raised-in products, she said. The program has grown and we have over 241 partners in the program.
- Our face to the world is newmexico.org, she said. We're making it more useful to travelers with improved listings, automatic filtering, and by using feature-listing options.
- Our FY19 plan maintains 78% of the budget for advertising and promotion, which includes sponsorships.

Question from Commissioner Brooks: regarding in-state travel – places to *see* vs. *doing*. Is that a change in strategy? Erin responded that the NMT-30 are places that include both. There's no change in how we're encouraging tangible experiences, she said, we just can't say everything in 30-second commercials.

Commissioner Hutton: Great job, he said; last year we were talking about markets in San Diego and San Francisco. He asked what has happened to that plan. Secretary Latham said that the state legislature approved \$1M, however, we needed \$3.5M to go into San Francisco. Anything less than that amount in San Francisco would be a waste of money, she told the group. It is still the plan when we have the budget, because San Francisco is still the right market for NM True. Seattle/Tacoma is a target market of Albuquerque, but it's on our list, just not prioritized above San Francisco.

Chairman Stagg said it could be good to look at a partnership to get into Seattle. There's an opportunity for the Sunport to support the new service with Alaska Airlines to promote Albuquerque as a destination. He doesn't suggest a huge amount of money for a full market blast, he said, but perhaps it's worthwhile to work with the airline and partner with others, perhaps even with TSV on a limited basis?

Erin said the interactive map tells you what you can do at each place. Secretary Latham added: for example, make sure, while you're seeing the Taos bridge, that you go on into Taos and visit the historic plaza and shops.

- New Mexico Clean & Beautiful Advisory Committee Update – David Griscom
 - David explained that it is a state-mandated program and receives \$.50 from every motor vehicle registration in the state; those monies get put into the NMC&B fund. It is then used to put together grants for counties, municipalities, and tribal governments that want to invest in litter cleanup projects, recycling projects, beautification projects, anti-graffiti

projects, etc. He said for FY19, they've had 44 applications and provided 40 grants, totaling \$639,000 given out for beautification and recycling projects.

- The Advisory Committee last met on July 26. They discussed how to recognize the quality of work, and will be rolling out an awards program (plaques), but only for the KAB Affiliates. The advisory committee has 11 members, and one has dropped out – they need to appoint someone from another eligible county – that is, one that is not already represented (10 counties are already represented). They have put out a notice to their grantees about it. He said he looks forward to reporting back on their FY19 program in the fall.

Commissioner Hutton asked David to send him a list of ineligible counties, as he might be able to help with finding a replacement committee member.

➤ **New Mexico Hospitality Association (NMHA) – Kathy Komol, Interim CEO**

- Kathy discussed the 2018 Gubernatorial Forums on August 6 that NMHA hosted, and partnered with the Albuquerque Hispano Chamber – this is the first time NMHA has brought the two candidates for Governor to a conversation with industry representatives to address the 25 biggest questions and concerns currently facing our industry. She said they'll be traveling all around the state, meeting with legislative and policy-makers regarding the results of the forum.
- November 8th is their Top HAT Gala recognition awards for hospitality and tourism. Nominations are open through September 14. The NGA Summer Meeting (National Governors Association) is nominated in the New Mexico-based Event category.
- Tourism Day for the 2019 state legislature is upcoming. We'll be reaching out to all of you to partner with us to discuss issues with the state legislature and local policy-makers.

Commissioners Hutton and Brooks asked about the results regarding New Mexico True. She said both candidates are in favor of continuing support for NMTD's program, and to adding to the budget. She said they have everything recorded from the forum, so they can reference it later.

Commissioner Garcia complimented Kathy and NMHA on a great job doing the Forums. He asked how the National Governors Association meeting did.

Secretary Latham answered that the National Governors Association summer meeting was phenomenal. It was a collaborative effort by the city of Santa Fe, the state of New Mexico, New Mexico non-profits, and other partners, raised about \$1.23M for the event. In addition to the (approximately 21) attending governors with their spouses, representatives from the White House staff, and international dignitaries from the United Kingdom, Kenya, Australia, and Germany, also attended. They all fell in love with New Mexico, she said.

For example, the Bonanza Creek Guest Ranch western-themed event on the last night was incredible, she said. A large number of the 30 governors from Kenya showed off the western boots they'd bought on the plaza to "fit in" for the event – she was very impressed with their enthusiasm.

All the catering was perfect, she said. They partnered with The La Fonda, Drury, Hilton Santa Fe, and the Eldorado. They did Museum Hill with Native American performances, and pop-up markets – Indian Market, Spanish Market, and Folk Art Market. The second day they did La Noche del Fuego and burned Zozobra's cousin, Tío Coco (which apparently means "uncle boogiemán"), at

Fort Marcy Park, and it also was amazingly successful, with long lines of people putting paper in the gloom box.

Commissioner Brooks said he was very impressed with the Governors Forum, that Kathy and Jason and their staff did a fantastic job, and he was also glad they have recordings of the forum.

➤ **Central Region Marketing Board Update – Heather Arnold, Chair**

- Jemez Springs – has their first brewery opening in September, with local brews and food
- Bernalillo and Bosque brewery openings – they're expanding the 550 area there for better access
- Toltec Brewery is up for the James Beard Award for their blended burger
- Several Albuquerque chefs won slots for the NM Green Chile Cheeseburger Smackdown, held Sept. 8th in Santa Fe. Three of the top burgers are from their area.
- Visit ABQ's marketing team has just concluded several new sweepstakes – one in partnership with NM Magazine (had more than 3,500 entries), and is music-themed trip to Albuquerque. In partnership with Somos ABQ, their Balloon Fiesta sweepstakes is running until the end of the month. And Travel Albuquerque magazine just ran sweepstakes has brought in more than 6,000 out of state entries.
- New Mexico Magazine partners were fantastic

Chairman Stagg asked for any questions or comments; having none, he asked the commissioners to give their reports.

➤ **Reports from Commission Members**

▪ **Commissioner Garcia**

- This year, holding state Senior Olympics; also National Senior Olympics. Albuquerque will host the National Senior Games the summer of 2019, and the Golden Age Games this August (a prelude to the Senior Games). Thousands of people will be coming to watch the games, as well as the participants and families.
- He expressed concern about policy regarding lodgers tax, as the last designated tax. He said there was an entity in Albuquerque that is possibly looking to carve out more of lodgers tax on trust land. If Emerson was here, it could be further discussed, he said, and he would like to look into it further, that it could be an issue.
- UNM Ski Team Update: there was an announcement that the UNM Athletics was going to eliminate four sports, he said. George would not accept that, he said. We've been working hard to try to encourage them, and we've worked with the legislature. There will be about \$500-600M in new money, and they promised to work to solve the problem, and are working to get those sports back. He wants everyone to help to support this effort to build the ski industry in New Mexico, and not let it get diluted, he said.

Chairman Stagg thanked Commissioner Garcia and acknowledged Commissioner Brooks.

▪ **Commissioner Brooks**

- He said Ski NM is working with the TD and are moving ahead with the Mountain Times Expo show in Dallas. They have 10 partners working with them on it. They hope to penetrate the Texas market and keep Texas visitors from heading farther north.

▪ **Commissioner Hutton**

- He said since he's been involved with this commission, that all he's heard is all the great numbers they keep putting up!
- Santa Fe is up 8% year over year. June was another record month, and July looks insane
- Indian Market is in two weeks
- 94th burning of Zozobra, Friday, Aug. 31
- Next upcoming is Wine & Chili, soon
- Congratulations on the Governor's Conference! Randy Randall sends his best – he said it was fabulous and it went off without a hitch, and he said Sec. Latham did an excellent job.

▪ **Chairman Stagg**

- Taos is having a good summer. One presenter discussed event-based marketing – this is something Taos has been working to build. You have a destination that people know about, but you need to give tourists a reason to come to the area. They just finished an event with Meow Wolf in the Center Park.
- Successful event in TSV/Taos: Michael Hearne's Big Barn Dance is upcoming, in September, after Labor day. The concerts have really worked, he said.
- Hotels: the renovated Don Fernando Hotel in Taos, a Hilton property; the Sagebrush has new ownership; also the El Monte Sagrado has been doing well; there might be an opportunity to rebuild the Katsina Lodge, a keystone property on the north side of town.
- Ski Valley has lots of construction going on: building a new high-speed lift rebuilding the Phoenix and Bavarian restaurants; re-doing infrastructure with a \$20M investment this summer; and they hope to start a new real estate development in March in the base area.
- Announcement next month of the start of non-stop jet service to Taos from Dallas and Austin – flights will be on Thursday, Saturday, and Sunday. Not through the Sunport – 30-passenger jet, roundtrip cost will be about \$380 / operating fixed-base airport, outside of regular security.

▪ **Commissioner Alvarez**

- Sept. 7 in Las Cruces – they are excited about the Prado opening there.
- The Spaceport road is completed – it will provide Virgin Galactic and other companies better access.
- Virgin Galactic completed its third powered test flight; the next one is scheduled for September 16. If that goes well, they plan on December for the fifth one. After that they'll move operations to Las Cruces.
- The Country Music Festival will be held October 19-21. Dwight Yoakum, Sawyer Brown, and Randy Houser are among the headliners, she said.
- An update on Virgin Galactic staff and families moving to New Mexico – the first 40 of 85 families will be coming to New Mexico within the next three months, she said. They hope the remaining families will be moving in by February to March.
- Film: Warner Brothers has just completed filming in the Las Cruces area for a Clint Eastwood film, "The Mule." This generated about \$160K for their local hotels, she said. Ross Marks, Las Cruces native, is directing a new local film, shooting September through October, in Las Cruces and Artesia.

- A new manufacturing plant will be going into Sunland Park. Stampede Meat, an Illinois-headquartered food manufacturer, has plans to expand to New Mexico and add about 1,300 new jobs over the next five years.
- **Commissioner Vallo**
 - He encouraged everyone to visit the pueblos, and get to know your neighbors. Today the Santa Domingo Pueblo is celebrating. Upcoming feast days: San Lorenzo Feast Day on the 10th, Santa Clara on the 12th, Zia Pueblo and Laguna Pueblo Feast day on the 15th, Isleta Pueblo celebrates St. Augustin Feast Day on the 28th, and on September 2, Acoma Pueblo celebrates St. Estevan Feast Day at Sky City.

Chairman Stagg asked the group for questions or comments. There were none.

Next Meeting

Chairman Stagg said he likes to see if they can meet in conjunction with events that are going on, and Secretary Latham mentioned that she'd prefer it not be too late in the year.

Public Comment

There were no public comments.

Adjournment:

Meeting adjourned at 11:26 a.m.