

SACRAMENTO TOURISM MARKETING DISTRICT

MINUTES

Regular Meeting of the Tourism District Committee

Monday, April 9, 2018

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 Kathleen Gilbey called the meeting to order at 11:03 a.m. and conducted a roll call of the committee as follows:

PRESENT

Committee Members

Zone 1: Kathleen Gilbey (Chair), Liz Tavernese, Scott Vandenberg

Zone 2: Doug Warren and Sami Qureshi

Zone 3: Steve Young

Zone 4: David Huber (Vice Chair)

Sacramento Hotel Association

Teresa Stephenson, Executive Director

Visit Sacramento Staff

Mike Testa, John Reyes, Sonya Bradley, Sarah Atilano, Mike Sophia, Dan Santucci, Sherlynn Clifford (*Recording Secretary*)

Guests present for a portion or the entire meeting

- For Black Methodists Church Renewal/Cvent Connect 2018/CCSESA 2018: Ginger Levert, Hilton Arden West
- For Knights of Columbus California State Council: Lisa Burge, DoubleTree Hotel
- For SGMP National Education Conference 2018: Yvonne Magneheim, DoubleTree Hotel; Denise Giddings, Hilton Arden West; and Karla Weymouth, Holiday Inn Downtown
- For Sacramento Pride 2018: Lanz Nalagan, Sacramento LGBT Community Center
- For California State Fair Mariachi Competition: Rick Pickering and Margret Mohr, Cal Expo/State Fair
- For Capitol 5K: Scott Abbot, Sacramento Running Association

B. Public Comments – Matters Not on the Agenda

Chair Kathleen Gilbey called for public comment on items not listed on the agenda; there were no matters presented. Gilbey also shared time limits for presentations

C. Review and Approval of STMD Tourism Committee Meeting Minutes: January 8, 2018

There being no discussion, *David Huber motioned to approve the January 8, 2018, minutes as submitted; Sami Qureshi seconded. [Vote: Unanimous]*

D. FY2017-18 Zone Funding Applications for Review or Approval

Prior to fund application presentations, Doug Warren informed attending guests of the time limits for presentations.

1. Zone 1: MPINCC Annual Conference-Hyatt/Sheraton (Initial Request: \$1,800)

Presenter(s): Kathleen Gilbey, Sheraton Grand

Presentation: Gilbey said the application request was for sales team attendance at both properties to this annual conference, with the goal to increase bookings for Sacramento.

MOTION: Sami Qureshi motioned to approve the fund request as submitted; Doug Warren seconded. [Vote: Unanimous]

2. Zone 2: Black Methodists for Church Renewal-DoubleTree/Hilton (Initial Request: \$1,700)
Presenter(s): Ginger Levert, Hilton Arden West

Presentation: Levert said this group has booked 547 nights with 10 rooms booked at the DoubleTree for a 5-night guest room pattern for the six-day event. The fund application is for shuttle transportation between the two properties.

MOTION: Scott Vandenberg motioned to approve the fund request as submitted; David Huber seconded. [Vote: Unanimous]

3. Zones 2 & 4: Knights of Columbus California State Council-DoubleTree/Courtyard Marriott-Cal Expo/TownePlace Suites-Cal Expo/Crowne Plaza (Initial Request: \$15,000)
Presenter(s): Lisa Burge, DoubleTree Hotel

Presentation: Burge said this event was booked for three years in May 2018, 2020 and 2022. The fund application is for transportation between the seven hotels and the DoubleTree has booked 9,300 room nights for 2018. Doug Warren asked how many buses were being contracted and Burge said about three or four.

Committee Review: Mike Testa asked if an application would be submitted annually; Scott Vandenberg said the next time would be in 2020.

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

4. Zones 1-4: Amgen Tour of California-Sports Commission (Initial Request: \$35,000)
Presenter(s): Mike Sophia, Sacramento Sports Commission

Presentation: Sophia said this year's event will be the overall finish, a second time for Sacramento. It is anticipated that 2,500-3,500 room nights will be booked over three nights. Mike Testa said the expenses associated with this year's event are down after Sophia negotiated a new agreement so that Amgen organizers contract directly with the hotels. Testa added that while \$110,000 is anticipated in expenses, with the STMD funding of \$35,000, the County's sponsorship of \$25,000, the remaining balance of \$55,000 would be paid by Visit Sacramento.

Committee Review: Doug Warren asked about Sutter Health's sponsorship as noted on the attached budget sheet. Testa said that was the original plan but there is a new marketing person at Sutter who is reviewing all their sponsorship requests. Scott Vandenberg mentioned the revenue loss in 2017 and Testa said the difference this year is the Sports Commission is not paying any upfront costs so the total expense for 2018 is only \$110,000. Sami Qureshi said it was a good event with national and international exposure.

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

5. Zones 1-4: 2018 NCAA Division 1 Outdoor Track & Field Preliminary Championships-Sports Commission (Initial Request: \$50,000)

Presenter(s): Mike Sophia, Sacramento Sports Commission

Presentation: Sophia said this event brings about 1,800 athletes to Sacramento from the western region. Economic impact is expected at \$2.9M with about 2,000 room nights. There are two host hotels with teams booking directly.

Committee Review: Doug Warren asked about the budget for this event; Dan Santucci said it was budgeted flat. Sophia said that \$136,000 was budgeted for ticket sales with NCAA reimbursement and with a net investment (loss) projected of about \$6K. Most of the revenue is tied to attendance by families and friends. Sophia added that there are minimal expenses as Sacramento State is bearing that cost.

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

6, 7 & 8: Zone 1: SGMP National Education Conference 2018-DoubleTree Hotel/Holiday Inn Downtown/Hilton Arden West (Initial Request: \$5,000 EACH)

Presenter(s): Yvonne Magneheim, DoubleTree; Karla Weymouth from Holiday Inn Downtown; and Denise Giddings, Hilton Arden West

Presentation: Magneheim said the three properties are partnering with Visit Sacramento for this conference. They are excited to attend as the location in Norfolk is near a naval base and they are hoping to book more federal government business. They are also planning for considerable one-on-one time with government planners during the three-day conference.

MOTION: Sami Qureshi motioned to approve the fund request for all three properties as submitted (\$5,000 each); Liz Tavernese seconded. [Vote: Unanimous]

9. Zone 1: Sacramento Pride 2018-LGBT Community Center (Initial Request: \$23,300)

Presenter(s): Lanz Nalagan, LGBT

Presentation: Nalagan said the application was for out-of-market advertising and to help offset musical headliner costs. The event is in its 34th year and staff is making significant changes with a kick-off event Friday, a festival on Saturday, and the parade on Sunday. Organizers are hoping the several events will encourage weekend hotel stays. Sami Qureshi asked if they can track where visitors are staying. Nalagan said they are working in-house on that and Mike Testa said that if approval is given for funding, a Visit Sacramento pixel should be added to their website for tracking where visitors come from. Sonya Bradley explained a pixel tracks the online movement of the user by linking their information to a hotel if they've searched or booked any hotel room nights.

Committee Review: Scott Vandenberg asked about the amount approved for last year's event; Dan Santucci referred to the financial summary. Vandenberg said the revenue they receive goes to the LGBT Community Center, and having the parade changed to Sunday may increase room nights. Liz Tavernese agreed it was a good event for hotel and restaurants in that part of downtown.

MOTION: Scott Vandenberg motioned to approve the fund request as submitted; Liz Tavernese seconded. [Vote: Unanimous]

10. Zones 1-4: Sacramento Tourism Infrastructure District (STID)-Visit Sacramento (Initial Request: \$40,000)

Presenter(s): Mike Testa, Visit Sacramento

Presentation: Testa said that Visit Sacramento had contracted with Civitas to establish a Sacramento Tourism Infrastructure District which would help cover costs for funding a second ballroom during the convention center expansion. The fund request also covers expenses for the study conducted.

Committee Review: Scott Vandenberg asked why funding should be approved by the STMD and suggested that it instead be reimbursed by the STID once it's been established. Doug Warren agreed.

MOTION: Scott Vandenberg motioned to deny the fund application; Doug Warren seconded. [Vote: Unanimous]

11. Zone 2: California State Fair Mariachi Competition-Cal Expo/State Fair (Initial Request: \$46,500)

Presenter(s): Margaret Mohr and Rick Pickering, Cal Expo/State Fair

Presentation: Pickering said the application is for additional marketing for a new event the State Fair started creating last year and would be produced this year. It will be first one of its kind at the youth level. Participants from 10 selected teams will come to Sacramento for a three-night stay and Linda Ronstadt will be headlining the event (she started her career singing Mariachi). Univision TV will follow the teams throughout competition which starts in different locations, ultimately ending in Sacramento for the finals. Pickering said he expects the attendance to be about 8,000-10,000.

Committee Review: Doug Warren said he was concerned about approving the full amount requested since it's a first-time event. He added he would like to see the event be successful but would also like to see the results from the first year. Mike Testa said would also prefer to see the results before funding is approved. The committee then reviewed past State Fair event approvals for comparison. Sami Qureshi suggested reducing the approval amount. Scott Vandenberg asked about the tracking pixel on the State Fair's website and Sonya Bradley said it would be added. The committee agreed it would be good to see the room night generation from this event and Sarah Atilano added she would like to see the room night generation for only the Mariachi competition.

MOTION: Sami Qureshi motioned to approve \$15,000 with the added request to see the results of hotel room nights generated; Scott Vandenberg seconded. [Vote: Unanimous]

12. Zone 2: Cvent Connect 2018-DoubleTree/Hilton/Marriott-Cal Expo (Initial Request: \$17,100)

Presenter(s): Ginger Levert, Hilton Arden West

Presentation: Levert said three hotel properties were partnering with Visit Sacramento for this conference in Las Vegas with about 3,500 participants expected. In addition to the booth fee of \$2,500 per hotel, the fund request for all three properties includes hotel, air, meals, and a client event.

Committee Review: Scott VandenBerg asked about the booth setup. Sarah Atilano said it was a kiosk in which conference attendees meet Sacramento representatives on an appointment basis. Atilano added that Visit Sacramento representatives have attended this conference in the past, but without hotel representatives.

MOTION: Doug Warren motioned to approve the fund request as submitted; David Huber seconded. [Vote: Unanimous]

13. Zone 2: CCSESA TOT 2018-DoubleTree/Hilton (Initial Request: \$2,500)

Presenter(s): Ginger Levert, Hilton Arden West

Presentation: Levert said the fund application is to cover transportation costs. They are expecting about 350 attendees for a two-night stay, and 180 rooms have thus far been booked at the Hilton with the overflow at the DoubleTree. Levert said this group was approved for transportation expenses last year and because the event went so well, they immediately booked again for this year.

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

14. Zone 1: Connect Marketplace-Convention Center (Initial Request: \$6,145)

Presenter(s): Sarah Atilano, Visit Sacramento

Presentation: Atilano said this was a hosted buyer show with Visit Sacramento sending five staff, along with a representative from the Convention Center due to profile of the attendees of the show (most active meeting planners, suppliers and experts from multiple associations) and the importance of meeting with them at this time as it relates to the convention center expansion. The fund application is to cover hotel and air expense, and possibly a client event.

Committee Review: Doug Warren asked if attendance was to promote new business; Atilano said yes.

MOTION: Doug Warren motioned to approve the fund request as submitted; Sami Qureshi seconded. [Vote: Unanimous] The approved funding was also changed to Zones 1-4.

15. Zone 1: Capitol 5K-Sacramento Running Association (Initial Request: \$20,000)

Presenter(s): Scott Abbott, Sacramento Running Association

Presentation: Abbott said this was a new event and auxiliary to the California International Marathon (CIM). The fund application which will help with marketing and some city expenses associated with putting on the event is to help drive tourism, attract/leverage the existing CIM participants and create a more family-friendly event. Mike Testa asked about hotel room night projections beyond the CIM. Abbott said he expects an additional 1,000-1,500 room nights, with CIM at about 6,500 room nights. Abbott's projections are based on current CIM statistics and he is hoping to encourage attendees to stay a Thursday or Sunday night.

Committee Review: The committee discussed the projected room nights for CIM. John Reyes noted the room night production appeared high based on projections. Mike Sophia said organizers are not happy about the local support, though he is not sure if CIM has also applied for funding assistance. Doug Warren asked about transportation and Sophia said it was not included in the application, though it would be a better plan.

David Huber asked how much it would cost to add transportation and Sami Qureshi said he thought it would be \$1,500 based on his history of booking transportation between two hotel properties.

MOTION: Scott Vandenberg motioned approve \$7,000 for marketing and suggested they resubmit an application for transportation; David Huber seconded. [Vote: Unanimous]

16. Zones 1-4: 2019 USATF Jr. Olympic Championships-Sports Commission (Initial Request: \$45,000)

Presenter(s): Mike Sophia, Sacramento Sports Commission

Presentation: Sophia said Sacramento last hosted this event in 2016 and it was successful. The event brings about 7,500 athletes with family and friends for a five-night stay. The fund application is to cover costs associated with a bid fee of \$10,000 and a rights fee of \$35,000.

Committee Review: Scott Vandenberg said there were huge ticket sales at the 2016 event which was held the same time as the State Fair. Liz Tavernese said this year's event would be the last week of the State Fair. Net profit for the 2016 event was \$68K.

MOTION: Doug Warren motioned to approve the fund request as submitted; Sami Qureshi seconded. [Vote: Unanimous]

E. Zone Funding and Post Event Recap Reports

1. Zone Funding: The committee reviewed the following reports:

- a. Preliminary Application Funding 4/6/18: This report provides a summary of applications presented at this meeting and still to be approved with the projected fund balance by zone.
- b. Zone Funding 3/31/18: Dan Santucci provided a brief description, by summary and detail, of approved zone funding as of this date, with balances per zone.
- c. Detailed report reflects past five years of approved funding with available funds balance. Zone 3 needs to spend more; has zone has two years of funds for rollover.

2. Post-Event Recap Reports

The following post-event recap reports were distributed for the committee's review prior to the meeting: MPINCC 2017 (Hyatt and Sheraton); Amgen Tour of California 2017; SGMP 2017 (DoubleTree and Hilton Arden West); CCESA 2017 (Hilton); and 2016 USATF Jr. Olympic Championships

F. New Business

1. UPDATE: 2018 Scott Safety Firefighter Combat World Challenge

Dan Santucci said the zone funding reports do not include this event as approved at the January 8, 2018 meeting as the location had not been determined. Mike Sophia updated the committee by announcing that organizers recently selected a location on 10th Street. The committee also said organizers must raise the requested funding of \$75,000 before STMD funds of \$25,000 are released. Sophia said he would be meeting with organizers next week and would share that information. Assignment of the funds are also changed to Zones 1-2.

2. Visit Sacramento's Pixel

Based on discussion from today's fund applications, Mike said that, in the future, any approved funding in which tracking where visitors come from is needed, the Visit Sacramento pixel must be added to that organization's website.

3. Approved Funding Reimbursement Process/Post-Event Recap Reports

Sherlynn Clifford the revised language regarding submittal of Post-Event Recaps will now be added to the approval letters. Testa said that now that Visit Sacramento's pixel is to be added to approved applicants' websites, the Post-Event Recaps should have better data.

4. Sacramento Tourism Infrastructure District (STID) Meetings in STMD Zones

Mike Testa said he is working with STMD committee members to schedule meetings in their respective zones to present information about the STID. John Reyes said meetings will be scheduled by April 27, 2018 and the STID Petition is also in process of being mailed. Teresa Stephenson said staff is welcome to share information at the April 20, 2018 SHA monthly luncheon, and Scott VandenBerg suggested including drawings of the proposed convention center expansion for hoteliers to see. Stephenson also asked about how the assessment will be defined on a hotel guest's folio. The committee suggested various terms with the consensus being "Tourism Infrastructure."

G. Future Meetings and Agenda Items

The next meeting is a special meeting scheduled to review Visit Sacramento's draft budget for FY2018-19. The next regular quarterly meeting is scheduled for July 16, 2018, at 3:00 p.m.

H. Adjournment

Chair Gilbey adjourned the April 9, 2018, meeting at 1:04 p.m.