

SACRAMENTO TOURISM MARKETING DISTRICT

MINUTES

Regular Meeting of the Tourism District Committee Monday, July 10, 2023 Visit Sacramento

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

A. Call to Order / Roll Call

Committee Chair David Huber called the meeting to order at 11:01 a.m. and conducted a roll call of the committee as follows:

PRESENT

STMD Committee Members

Zone 1: Nikki Carlson (Vice Chair), Barry Miller, Shelly Moranville

Zone 2: Royce Pollard, Tim Woolslayer

Zone 3: Doug Warren

Zone 4: David Huber (Chair)

Visit Sacramento Staff

Mike Testa, Kari Miskit, Sarah Atilano, David Eadie, Dan Santucci, Elizabeth Anderson (*Recording Secretary*)

Guests present for a portion or the entire meeting

- Randy Seever, Runnin' for Rhett
- Lindsay DaRosa, Runnin' for Rhett
- Teng Lorenzo, Sheraton Grand
- Louise Andrews, California Craft Brewers Association
- Lori Ajax, California Craft Brewers Association

ABSENT

STMD Committee Members

None

B. Public Comments – Matters Not on the Agenda

Chair Huber called for public comment on items not listed on the agenda; there were no matters presented. Huber also shared the committee's time limits for presentations.

C. Review and Approval of STMD Tourism Committee Meeting Minutes

1. Regular Meeting – April 17, 2023

There being no changes to the April 17, 2023, minutes, ***Doug Warren motioned to approve the minutes as submitted; Royce Pollard seconded. [Vote: Unanimous]***

D. FY2023-24 Zone Funding Applications for Review or Approval

The following fund applications were presented:

1. Zone 2: Hot Jazz Jubilee (DoubleTree by Hilton Sacramento) Requested Funding: \$10,000

Presenter(s): Royce Pollard, DoubleTree by Hilton

Presentation: Pollard shared information about the event and how it has grown larger than the DoubleTree can accommodate. The group needs bussing from their overflow hotel.

Doug Warren and Pollard discussed attendance for the event and the compression. Pollard shared it is a rebuilding year and it is a group larger than the DoubleTree can accommodate. Discussed how to pay for the bus company.

Committee Review: Warren and Pollard discussed the compression in the area for the event. Warren shared he would be fine to support the group for one more year but would like more data for future years. The committee discussed that funding for bussing needs to be paid directly to the bussing company from the STMD funds.

MOTION: Barry Miller motioned to approve the funding request as submitted up to \$10,000 and a post event recap is required for reimbursement; Tim Woolslayer seconded. [Vote: Unanimous, Royce Pollard Abstained]

2. Zone 1: 15th Annual Tejano Conjunto Festival (Land Arrows Productions) Requested Funding: \$7,500

Presenter(s): No presenter

Presentation: Mike Testa shared that in 2022 Visit Sacramento offset police costs for the event and it appears that there is an opportunity for them to grow their event, but there is not finances to grow it on the organizers end. Warren shared there have been challenges with the event in the past. Testa stated that Visit Sacramento would jump in to help market the event and Sarah Atilano shared that the sales team is already working on assisting with room blocks for the first time with this event.

Committee Review: Testa shared that there is growth opportunity with the event and that he believes it is worthy of funding. Warren agreed and suggested funding at \$5,000 and that the post event recap is completed.

MOTION: Doug Warren motioned to approve the funding request for \$5,000 and a post event recap is required for reimbursement; Royce Pollard seconded. [Vote: Unanimous]

3. Zone 1: Farm to Fort (Runnin' for Rhett) Requested Funding: \$20,000

Presenter(s): Randy Seevers and Lindsay DaRosa, Runnin' for Rhett

Presentation: Seevers shared that in coordination with the Midtown Association they had the inaugural Farm to Fort in 2022. It was a successful event with 575 tickets sold and included live art from David Garibaldi and musical acts. This year the event will be directing attendees to book stays at the Fort Sutter and Hyatt House Midtown hotels. The event has moved to a Friday night in the hopes of reaching 1,000 attendees. Seevers confirmed they are tracking where guests come from.

Committee Review: The committee discussed the request for last year was \$5,000 and it has increased to \$20,000 this year as well as the amount of revenue reported for last year. The committee also discussed lowering the funding amount, and letting the organization know that this will be the last year funding the event.

MOTION: *Shelly Moranville motioned to approve the funding request for \$5,000 with this being the last year the event will receive funding; Tim Woolslayer seconded. [Vote: Unanimous]*

4. Zone 2: CCAC (DoubleTree by Hilton Sacramento) Requested Funding: \$10,000

Presenter(s): Royce Pollard, DoubleTree by Hiton

Presentation: Pollard shared that this repeat group stayed during the pandemic and has rooms at two hotels that are significant blocks. The funding request is for transportation between both hotels and Arden fair mall.

Committee Review: The committee discussed that the group has been contracted for several years. Miller think it is a good conference and this could be the last year of funding transportation.

MOTION: *Nikki Carlson motioned to approve the funding request as submitted with this being the last year the event will receive funding for transportation; Barry Miller seconded. [Vote: Unanimous, Royce Pollard Abstained]*

5. Zone 1: 2024 California Craft Beer Summit (California Craft Brewers Association) Requested Funding: \$20,000

Presenter(s): Louise Andrews and Lori Ajax, California Craft Brewers Association

Presentation: Andrews and Ajax shared that the California Craft Beer Summit has been happening since 2015 but took a break during the pandemic. In 2023 they returned and were successful due to the marketing dollars received from STMD. 70% of attendees come from outside of the region and state. They are hoping to build on the success of this year and would like to see attendance increase to 1,500. In 2024 the event has changed their dates to be Wednesday through Friday. Andrews and Ajax reviewed the event schedule with the committee, highlighting that many of the events used to be separated throughout the year and they have combined them to increase attendance.

Committee Review: Testa shared that Lori Ajax was previously the head of Alcoholic Beverage Control and with her taking over the association he thinks she will grow the event. Testa added that moving forward Visit Sacramento can look at building this funding into Bid Support. Sarah Atilano shared the group has been flexible with adjusting their dates based on availability and the sales team is working with them to grow the event in Sacramento and keep them from doing a north and south rotation.

MOTION: *Shelly Moranville motioned to approve the funding request as submitted; Doug Warren seconded. [Vote: Unanimous]*

6. Zone 1: Housing CA 2025 Annual Conference (Sheraton Grand) Requested Funding: \$5,800

Presenter(s): Teng Lorenzo and Jeroen Gerrese, Sheraton Grand

Presentation: Lorenzon shared that the funding request was to cover the rebate requested in the RFP for the conference in 2025. The hotel and the program are not in agreement on how the rebate should be handled. Sheraton Grand is required by Marriott to disclose the rebate on the folio to all guests if they are to pay for it and the group does not want that to occur.

Committee Review: The committee discussed how other Marriott brand hotels are handling this type of situation and the importance of not losing a citywide program due to one hotel. The committee agreed that the STMD funds were not meant to be utilized towards group rebates.

MOTION: Barry Miller motioned to decline the funding request as submitted; Shelly Moranville seconded. [Vote: Unanimous]

7. Zone 1-4: Visit Sacramento Sales & Marketing Plan FY 23/24 Budget Supplement (Visit Sacramento) Requested Funding: \$1,000,000

Presenter(s): Sarah Atilano, Visit Sacramento

Presentation: Testa prefaced that this application is based on previous meeting discussions regarding the carryover that often goes unspent. Atilano shared the application requests for \$1m to supplement the Visit Sacramento 2023-2024 budget with new and expanded sales and marketing programs.

The programs would cover the following:

- Marketing-
 - A yearlong multi-media spend to include digital, OTT (streaming ads), social media, etc.
 - Digital Edge ad placement (also targeting digital, streaming, social media, etc)
 - 12-month Expedia buy focused on leisure business to help with our need times as well as targeting extended convention attendee stays
- Convention Sales
 - Increase in tradeshows to include a combination of additional attendees, travel costs, adjustments due to show location and changing/adding new shows
 - Sales mission increase to add in new client events while attending tradeshows
 - Increase in familiarization tour budget to increase the number of attendees and give an elevated experience for Visit Sacramento's second GoldenSky and local backyard FAMs and to add two new FAMs

Committee Review: The committee discussed how the money has been spent historically and how they think collectively that Visit Sacramento would spend the money more efficiently. They discussed Visit Sacramento reserves and the programs this money would be spent on.

MOTION: Doug Warren motioned to approve the funding request as submitted; Nikki Carlson seconded. [Vote: Unanimous]

E. Budget Review

Introduction

Testa shared that revenue is very close to where it was last fiscal year, and what is interesting is that 4 events that happened last fiscal year will not occur this fiscal year, which means revenue is up. STMD revenue is 99.6% where it was pre-covid.

Budget Rationale

The 2023/24 budget was designed to support continuous efforts and programming that will:

- Continue a strong focus on attracting conventions of all sizes to Sacramento, including stand-alone citywide meetings, combining two smaller groups to achieve a citywide, and larger events like FFA that utilize multiple venues in Sacramento.
- Significant investments in leisure travel marketing, including a new and extensive deal with Expedia, and a focus on marketing Sacramento as a year-round festival destination.
- Position Sacramento as a sporting destination through a deliberate NCAA bid process, and by growing existing events like IRONMAN.
- And always looking ahead in working to bring new music festivals and food-focused events and conventions to Sacramento.

Landscape Overview

Regional Industry

Tourism and hotel occupancy numbers have made great progress in a significant rebound from COVID-19, with convention numbers beginning to approach pre-2020 levels. Leisure travel continues to make an impact in the market, with more and more tourism draws for Visit Sacramento to market to potential visitors. Festival growth, specifically, continues to be a strong growth point for the market, and the success of the existing festivals continues to attract new outside promoters to the market.

Visit Sacramento

The team continues to focus on utilizing the renovated and expanded SAFE Credit Union Convention Center to grow conventions as a primary business goal. However, we also have considerable focus on making sure that Sacramento's tourism portfolio is diversified by putting significant focus on leisure, special events and sports visitation. By building multiple layers of tourism business, Visit Sacramento can create new visitor revenue streams and better safeguard against future known crises and national economic ups and downs.

Administration

Testa highlighted the following:

- Difference in Salaries/Wages due to a salary survey to ensure everyone is paid a fair wage, and new positions added to the organization.
- Office maintenance covers copiers, SMUD bill, elevators maintenance, etc.
- Vehicle Maintenance will cover a new company vehicle as the office van is getting older and requiring more maintenance.
- Board retreat will need to have the board decide if they want to stay local or go out of town to plan for the future.

Marketing

Kari Miskit highlighted the following in the marketing budget:

- Increased investment in leisure marketing and the overall media buys.
- Agency fees are for sub-contractor fees that allow Visit Sacramento to supplement the programing without increasing full-time staff.

Sonya Bradley highlighted the following in the marketing budget:

- Diversity, Equity and Inclusion has a new line item called “Ad Placement/DEI” and Visit Sacramento is working on doing media buys specifically for various DEI programs and tourism marketing.
- Technology fees are due to purchasing new programs and the CRM system the organization uses has increased their fees.

Sports Marketing

David Eadie highlighted the following in the Sports Marketing budget:

- NCAA Track and Field, NCAA March Madness, USATF Junior Olympics, and the World Butcher Championships are not in the budget this year as they are not taking place in Sacramento this year.
- NCAA Cross Country is scheduled for the fall.
- The tradeshow budget has increased as the department is strategically adding new shows to attend.

Convention Sales

Atilano highlighted the following in the Convention Sales budget:

- The increases for Tradeshows, Sales Missions, FAM tours and Site Visits were part of the application previously reviewed.
- New line item “Booth Expenses & Tradeshow Materials” in the past these charges fell into multiple lines, and we are not streamlining it into a new line item. A portion of these funds will be for the branding of the new booth.
- Dues/Subscription includes the cost for STR, CBRE, and Zartico
- Bid Support is down due to the GoldenSky payment from last year that is not part of this year’s budget.
- Services line item covers pre-promo’s, signage, and other items.

Miskit highlighted the following in the Convention Sales budget:

- Ad Placement is for Digital Edge who is the premier agency for Convention Sales marketing.
- The other line items are for business-to-business advertising and Digital Edge handles a portion of that buy.

Tourism

Bradley highlighted the following in the Tourism budget:

- Largest increase is for the IPW tradeshow as it is being hosted in California this year and Visit California is doing a large plaza activation and Visit Sacramento is participating in the activation.

Partner Marketing

Testa highlighted the following in the Partner Marketing budget:

- Only change is that Rick Brown is no longer contracted for sponsorship sales as Karlee Cemo is now handling this internally.

Community Relations

Testa highlighted the following in the Community Relations budget:

- State of the Hospitality industry luncheon budget has increased based on spend from the last event and increased revenue due to larger attendance.
- New Year's Eve fireworks program line item has gone away as it will no longer be taking place.

Farm-to-Fork

Testa highlighted the following in the Farm-to-Fork budget:

- Media relations agency has changed from Lou Hammond to Praytell and they will focus on consumer brands and tourism. They will also be handling the Tower Bridge Dinner and Farm-to-Fork Festival media FAM trips
- Significant increase on the festival line item as the musical talent increased this year for a larger draw and attraction from out of market visitors.

MOTION: Shelly Moranville motioned to approve the FY 23/24 budget as submitted; Royce Pollard seconded. [Vote: Unanimous]

F. Zone Funding and Post Event Recap Reports

1. Zone Funding: The committee reviewed the following reports:
 - a. Zone Funding Financial Reports June 30, 2023
2. Post-Event Recap Reports
 - a. Farm to Fort 2022
 - b. CCAC 2022
 - c. CCBA 2023

G. Future Meetings and Agenda Items

The next regular quarterly meeting is scheduled for October 9, 2023, at 11:00 a.m.

H. Adjournment

Chair Huber adjourned the July 10, 2023, meeting at 12:52 a.m.