

MINUTES OF THE
SANTA FE COUNTY
LODGERS' TAX ADVISORY BOARD

May 26, 2011



The regular meeting of the Santa Fe County Lodgers' Tax Advisory Board was called to order at 10:38 a.m. on the above date by Chairman John Berkenfield at El Rancho de las Golondrinas, 334 Los Pinos Road, Santa Fe, New Mexico.

Roll call indicated the presence of a quorum for conducting official business as follows:

Board Members Present

John Berkenfield, Chairman
Florenceruth Brown, Vice Chair
Lydia Frank
Florence Jaramillo
Mary Johnson

Board Members Absent

None

Staff Present

Evelyn Valencia, Santa Fe County Finance Division

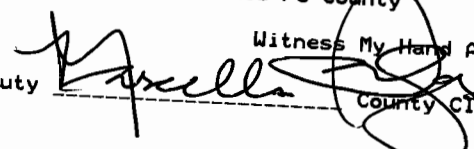
Others Present

Karen Brown, Santa Fe Skies RV Park
Steve Lewis, LOCAS Advertising/CVB representative
Jennifer Muldoon, Open Hands
Jeanette Alt-Romero, Open Hands
Russ Rountree, Impressions Advertising, Inc.
Jo Ann G. Valdez, Stenographer

APPROVAL OF THE AMENDED AGENDA

Chairman Berkenfield noted that the Agenda has been amended to add the Request for Funding from Open Hands.

Ms. Jaramillo made a motion to approve the agenda as amended. Ms. Johnson seconded the motion, which passed unanimously by voice vote.

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss
I Hereby Certify That This Instrument Was Filed for
Record On The 25TH Day Of July, 2011 at 09:07:10 AM
And Was Duly Recorded as Instrument # 1640861
Of The Records Of Santa Fe County
Witness My Hand And Seal Of Office
Valerie Espinoza
County Clerk, Santa Fe, NM
Deputy 

LODGERS TAX MINUTES
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APPROVAL OF MINUTES: April 28, 2011

Ms. Jaramillo made a motion to approve the Minutes of the meeting of April 28, 2011, as submitted. Ms. Johnson seconded the motion, which passed unanimously by voice vote.

NEW BUSINESS

A. Update on the MOU for Media Relations with the City of Santa Fe Convention & Visitors' Bureau representative, Steve Lewis

The County of Santa Fe partnered with the CVB on a \$75,000 public campaign with a public relations firm out of New York called Lou Hammonds and Associates. Mr. Lewis was invited to the meeting to provide an update on the joint media campaign.

Mr. Lewis thanked the Board for the funding assistance for the public relations campaign.

Mr. Lewis provided an update as follows:

- The public relations firm (Lou Hammond and Associates) was chosen by the CVB following a Request for Proposal process and committee recommendation.
- Lou Hammond and Associates have approximately 40-50 clients.
- Santa Fe is as an appealing destination and remains as an editorial interest. The CVB has had contact with over 600 press writers; and 87 press writers have visited Santa Fe.
- The CVB has put together/organized two trips through Region V; one in the fall and one in the winter. This is a week of ski writers who come to Santa Fe through Ski Santa Fe. As a result, more than 50 press releases were put out.
- 190 stories on Santa Fe have been published. (2 binders on the stories were put together and were available for review.) Of the 190 published stories, 92 of them had content from the County. They include stories on El Rancho de Las Golondrinas, Chimayo, Bishop's Lodge, Ten Thousand Waves, Encantado, Hacienda Las Barrancas, Turquoise Trail and Ski Santa Fe.

Chairman Berkenfield asked who wrote or initiated the stories – were they written by Lou Hammond and Associates or by LOCAS Advertising (Steve Lewis).

Mr. Lewis said that he wrote most of them – Lou Hammond and Associates wrote about 62 of them.

Chairman Berkenfield asked why they would need a contract with Lou Hammond and Associates if two-thirds of the stories come from LOCAS Advertising.

In response, Mr. Lewis said that Lou Hammond and Associates are doing more than generating stories; they do a lot of leads, which is a request for information about Santa Fe. They write stories about events that happen in Santa Fe; for example, they will write a story about Valentine specials and ski specials going on in Santa Fe. Lou Hammond and Associates is also the CVB's distribution network. They use their established network to send out press releases on Santa Fe. Lou Hammond and Associates plays a critical role in the outreach for Santa Fe.

Mr. Lewis continued with his report.

- A luncheon was held in New York for press writers and former CVB Director, Keith Toler attended it. He visited with 15 members of the press writers that Lou Hammonds invited to do a presentation on Santa Fe.
- The CVB is presently at approximately \$1.4 million in terms of the value of media placements. Mr. Lewis' goal is \$2 million per fiscal year and he believes that he will reach this goal.

Mr. Lewis mentioned that he spoke to Chairman Berkenfield earlier about whether or not the funding that the County assisted with would be available this year, and he indicated that this is unlikely. Therefore, the CVB has made other arrangements to fund the contract with Lou Hammond and Associates for this fiscal year.

Chairman Berkenfield said the County will participate or cooperate with the CVB in any way that they can.

Mr. Lewis announced that Jim Bradbury is the interim CVB Director. He provided a brief history of Mr. Bradbury's background noting that he was the General Manager at La Fonda for over 17 years; ran his own hospitality consulting business; was Vice Chairman of the Historic Hotels of America Board and was also Chairman of the New Mexico Lodgers' Association.

Mr. Lewis said that the City also brought back Chris Madden. She has been with the CVB for over 7 years. For the last two years she has been the east coast CVB sales representative living in Florida. She has moved back to Santa Fe. She is now the Director of Sales at the CVB and in her first month as the Sales Director, she has already booked over 4,400 room nights for next year.

Mr. Lewis noted that the City Occupancy Tax Advisory Board discussed adding incentives as part of the CVB job description. The City Manager would like to set some kind of minimum sales/booking requirements for the CVB Director position. There are presently no minimum requirements for the CVB Director and the City Manager thinks the City needs to emphasize this in the future to sell the city and its businesses, the

Convention Center, to book the Center and fill hotel rooms. He would like to have some strong goals and objectives for the new CVB Director; and he is looking into whether or not they can do an incentive program, as far as bookings.

Chairman Berkenfield thanked Mr. Lewis for attending today's meeting and for briefing the Board. He informed Mr. Lewis that there will be no LTAB meeting in June and invited Jim Bradbury to attend the July LTAB meeting.

Ms. Johnson said at one time businesses used to receive leads (contact names and information) from the CVB; however this stopped with the prior CVB Director. She asked Mr. Rountree if this could start happening again.

Mr. Rountree said he believes that this was at the request of the planners. He noted that there used to be a calendar for the Convention Center and this may be a way for businesses to promote their business to these attendees. He offered to check into this.

B. Open Hands' Request for Funding for Renaissance Fair

[Chairman Berkenfield recused himself from discussion or voting on this agenda item having declared a conflict of interest.]

Ms. Brown co-chaired this portion of the meeting.

Ms. Muldoon and Ms. Romero presented the information regarding the request for funding, from the application, which was distributed in the members' packets.

Open Hands is requesting \$8,000 in LTAB funding for the Fourth Annual Santa Fe Renaissance Fair that will be held on September 17th and 18th at El Rancho de las Golondrinas. The Santa Fe Renaissance Fair is a fundraiser for Open Hands. If granted, these funds will be used to advertise and promote the event, which they believe makes a significant contribution to tourism in Santa Fe County and will make a considerable contribution to the richness of area arts and culture. The funding will be applied toward out-of-state and regional advertising.

Ms. Muldoon explained that Open Hands is a Santa Fe-based nonprofit organization which has served elderly and disabled people in New Mexico since 1977. Their mission is to help empower elderly and disabled people to avoid premature institutionalization, allowing them to live with dignity and independence in their own homes or with family. This mission is accomplished through (1) a statewide home safety program that helps to make home environment more safe and accessible for people with disabilities, and (2) an adult care service facility on their premises for elderly members of the community who have dementia, stroke, Alzheimer's, Parkinson's and other special needs.

Ms. Muldoon said she started as a volunteer; was a vendor the second year and has been amazed at how the Renaissance Fair has evolved. This year she is helping coordinate the Renaissance Fair. She noted that the 2010 Fair brought in 5,600 attendees, in addition to over 100 volunteers, paid staff and a large number of vendors, who sold

food, drink and quality handmade items as relevant as possible to the Renaissance. One year earlier, the Fair brought in 5,102 attendees, which was a 20% increase over the numbers from 2008, its first year.

Ms. Alt-Romero noted that surveys are done that reveal a very favorable reaction from the audience, a large increase in vendor and performer inquiries, and a considerable increase in early audience inquiries and local media interest. The surveys show that 41% of their audience came from places other than Santa Fe and Albuquerque, with 33% of attendees coming from other cities in New Mexico; and 8% coming from out of state or from other countries. A significant number of the vendors and participants stayed at nearby lodging in Santa Fe County.

Ms. Alt-Romero said this year Albuquerque residents will be able to get a free shuttle between the 599 RailRunner station and the Fair, if the RailRunner runs on weekends.

Ms. Muldoon said the grant from LTAB has assisted them in advertising in Colorado and Flagstaff, Arizona, which are areas that they know has a Renaissance crowd (Rennies). The grant provided by the Lodgers Tax Advisory Board for the past Santa Fe Renaissance Fairs have been instrumental to the success, allowing them to reach greater numbers of people with their advertising promotion for the event.

Ms. Alt-Romero explained that Rennies are known to travel hundreds of miles in order to attend Fairs with good reputations. The Santa Fe Renaissance Fair is a unique event, whose only nearby competition in Renfairs take place in November in the city of Las Cruces. The Santa Fe Renaissance Fair coincides with other larger national fairs, but there is nothing comparable within 800 miles, so they attract attendees from within a 500 mile radius, which is their defined drive market for this event.

Ms. Alt-Romero noted that the Society for Creative Anachronism, a nationwide medieval historical recreation group, will be present to provide live combat demonstrations and boisterous entertainment. They also have colorful street performers who interact with the public, and a wide assortment of games and amusements for children.

Ms. Alt-Romero mentioned that the Renaissance Queen is from Tennessee and she has offered to waive her fee for the 2011 Santa Fe Renaissance Fair.

Ms. Johnson moved to fund Open Hands at \$8,000.00, as requested. Ms. Jaramillo seconded the motion, which passed unanimously by voice vote.

Chairman Berkenfield chaired the remainder of the meeting.

OLD BUSINESS

There was no old business.

FINANCIAL REPORT

- **Santa Fe County Finance Division-Lodgers Tax Financial Report- May 25, 2011 (Pro-Forma)**

Ms. Valencia distributed and reviewed the Lodgers Tax Receipts Report through May 25, 2011 noting total receipts of \$22,562.03 for March 2011; and \$19,105.85 thus far for April; total receipts to date are \$306,626.99.

Ms. Valencia distributed and reviewed the Lodgers' Tax Receipts Analysis noting that there was a 17% decrease when compared to the month of April of the prior year; however, there are some reports that have not been posted.

Ms. Valencia distributed and reviewed the Facility Fund report through May 25, 2011 identifying the beginning cash balance of \$651,490.19 and total lodgers' tax receipts reported of \$129,137.53; interest of \$1,708.48 and expenditures of \$9,905.73 for FY'10 Advertising Contract and \$81,512.45 for FY'11 Advertising Contract, outstanding encumbrances in the amount of \$25,362.55, leaving an anticipated cash balance of \$665,555.47.

Ms. Valencia distributed the Advertising Fund report through May 25, 2011 identifying the beginning cash balance of \$817,952.30, total lodgers' tax receipts reported of \$215,149.72; interest of \$2,157.50; \$2,850.00 State Coop (last FY), expenditures of \$18,971.99 for FY'10 Advertising Contract, \$135,854.21 for FY'11 Advertising Contract, \$333.00 for Subscriptions and Dues, \$172.58 for newspaper advertising, \$16,100.00 for FY'10 Commitments and Other Fees (\$3,500.00 for El Rancho de las Golondrinas Spring Festival & Children's Fair June 5-6, 2010; \$6,000.00 for Southwest Roots Music for Thirsty Ear Festival June 12-13, 2010; \$1,600.00 for Chimayo Assoc. of Businesses brochures; \$5,000.00 for SF International Folk Art Market July 9-11, 2010), \$69,400.00 for FY'11 Commitments and Other Fees (\$6,000.00 for Rancho de las Golondrinas Wine Festival July 3-4, 2010; \$3,500.00 for El Rancho de las Golondrinas for Summer Festival August 6-8, 2010; \$6,000.00 for Open Hands Renaissance Fair September 24-25, 2010; \$6,400.00 for El Rancho de las Golondrinas for Harvest Festival October 2-3, 2010; \$10,000.00 for Santa Fe 400th "Legacy Day Viva" closing event and \$37,500.00 for City of SF CVB MOU for media relations), \$215.58 for FY'10 Reporting and Recording, \$1,018.09 for FY'11 Reporting and Recording, outstanding encumbrances in the amount of \$65,241.73, leaving an anticipated cash balance of \$730,802.34.

ADVERTISING AGENCY REPORT

- **Rocky Mountain Lodging Report (April)**

[Copies of the Rocky Mountain Lodging Report for the month of April were distributed and reviewed. A handout/spreadsheets on tracking Santa Fe Occupancy Tax was attached.]

Mr. Rountree noted that occupancy in Santa Fe for the month of April was down; overall occupancy was down for the second month in a row.

- **New Mexico Tourism Department 2011/2012 Co-Op Program**

Mr. Rountree reported that the New Mexico Tourism Department held a meeting on how they are going to handle the Co-op Advertising program next year. He noted that sole entities will only be granted a maximum of \$3,000.00. The Requests for Proposals for 2011-2012 should be ready soon. There will no longer be a committee who will score the proposals - the scoring will be done by the Tourism Department this year.

Chairman Berkenfield asked Mr. Rountree if there is any value with the County and the City going in on a collaborate effort - in applying for a Co-Op grant. Possibly, they could request \$10,000 to apply towards the public relations campaign/contract with Lou Hammonds and Associates.

Ms. Jaramillo asked if they would consider a match (\$5,000 from the County and \$5,000 from the City), making it a total request of \$20,000.

Mr. Rountree said traditionally the Convention and Visitors Bureau submits a request; however, he will contact Steve Lewis to see if this is a possibility.

- **Press**

[Copies of various press articles were distributed.]

An article in the *New Mexican* dated May 18, 2011 indicates that Santa Fe hoteliers are keeping a close eye on volatile gasoline prices, which, along with the impact of fuel prices on airline fares and fees, can affect the summer travel season. Lodging industry professionals hope recent changes at the Santa Fe Convention and Visitors Bureau will help boost results.

Another article in the *New Mexican* dated May 18, 2011 states that area hotels are donating labor to help the Santa Fe Convention and Visitors Bureau improve its database for drumming up business. Workers from Hotel Santa Fe, Santa Fe Hilton and The Inn and Spa at Loretto are backtracking through records from 2002 to 2006 that contain information about individuals and organizations that expressed interest in coming to the city, including some who were contacted while its new convention center was under construction. The hope is that this will yield leads to filling hotel rooms and meeting spaces in the coming year.

An article in *Travel Weekly* indicates that the Washington State Tourism Office is preparing to shut down on June 30, leaving Washington the only state in the country without a tourism office. This is primarily due to budget cuts.

- **Region Five**

Mr. Rountree announced that the cities that make up Region V will be holding a network event next Thursday from 5:30 p.m. to 7:30 at the Santa Claran Hotel. Santa Fe is part of Region V.

ADMINISTRATIVE

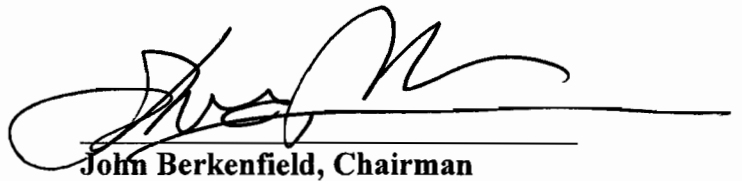
Next meeting date and location

The next meeting was scheduled for July 28, 2011 at 10:30 a.m.

ADJOURNMENT

Ms. Johnson made a motion to adjourn the meeting. Ms. Brown seconded the motion and the meeting was adjourned at 12:20 p.m.

Approved by:



John Berkenfield, Chairman

Respectively submitted by:

Jo Ann G. Valdez, Stenographer