



**CITY OF SCOTTSDALE
TOURISM DEVELOPMENT COMMISSION
REGULAR MEETING**

Tuesday, January 20, 2015

**Kiva Forum – City Hall
3939 N. Drinkwater Boulevard
Scottsdale, Arizona 85251
APPROVED MINUTES**

- PRESENT:** David Scholefield, Chairperson
Tom Enders, Vice-Chairperson
Ace Bailey
Carl Grupp
Camille Hill
Ren Hirose
Robert McCreary
- STAFF:** Steve Geiogamah
Holli Shannon
Paul Katsenes
Paul Basha
Mike Phillips
Rachel Smetana
- GUESTS:** Virginia Korte, Council Member
Rachel Sacco, SCVB
Rachel Pearson, SCVB
Caroline Stockel, SCVB
Michael Orefice, Legacy Agency
Mike McCarthy, Legacy Agency
Kate Birchler, Scottsdale Fashion Square
Emily Ginzl, Scottsdale Fashion Square
Christine Renu, Scottsdale Fashion Square

1. Call to Order/Roll Call

Noting the presence of a quorum, Chairperson Scholefield called the regular meeting of the Scottsdale Tourism Development Commission to order at 8:04 a.m. He also took a moment to recognize the contributions of key individuals over the course of 2014.

2. Approval of Minutes

- December 16, 2014 Special Meeting

COMMISSIONER BAILEY MOVED TO APPROVE THE MINUTES OF THE DECEMBER 16, 2014 SPECIAL MEETING AS PRESENTED. COMMISSIONER HIROSE SECONDED. THE MOTION CARRIED BY A VOTE OF SEVEN (7) TO ZERO (0).

- December 16, 2014 Work Session

COMMISSIONER BAILEY MOVED TO APPROVE THE MINUTES OF THE DECEMBER 16, 2014 WORK SESSION AS PRESENTED. COMMISSIONER HIROSE SECONDED. THE MOTION CARRIED BY A VOTE OF SEVEN (7) TO ZERO (0).

3. Manager Reports

a. Staff Bed-Tax Collection Report

Mr. Geiogamah reported that bed tax collections year to date were up 10%. Resort property collections were up 5.8%, full service hotels were up 6.3%, and limited service hotels continue to trend well, up 15% for the year.

b. Bed Tax Proforma

Mr. Geiogamah noted recent changes to the proforma. The Desert Discovery Center debt service has been highlighted based on a TDC recommendation from 2012. The PRCA Rodeo is now indicated under events, and will be presented to City Council on February 3. The Civic Center Mall project has been removed from the proforma following last week's decision by City Council.

Chairperson Scholefield explained that TDC passed an amended motion in March of 2012 for continued operations of the DDC, plus a \$600,000 placeholder subject to a successful public bond measure and private fundraising. The public fundraising effort has been ongoing, but clarification is needed on what actions the TDC might have to take considering that there has been no bond measure. Mr. Geiogamah undertook to look into the matter and report back.

c. Smith Travel Report

Mr. Geiogamah said occupancy continues to be up 2.6%. The average daily rate is up 7.2%, while RevPar is up 10% year to date. He requested Commissioner feedback on possible explanations for the steep decline in occupancy attributed to business contracts over the past year.

d. Program Updates

Mr. Geiogamah said the Event Working Group recommended \$15,000 for the Scottsdale Culinary Festival, which transferred from the Event Support Funding Program to the

Community Event Funding Program. The Hashknife Pony Express received a recommendation for \$8,000. The Celebration of Fine Art was approved for \$15,000 funding with the understanding that they will place greater emphasis on out of region marketing. Commissioner Hirose explained that the working group considers a variety of factors, including attendance, outreach, and love of place, and distributes funding according to an established set of guidelines.

Mr. Geiogamah presented the TDC meeting calendar for 2015. He said personal interest disclosure forms and ethics training forms have been distributed to Commissioners for their signature.

Paul Basha, Transportation Director, reported that total ridership for the first 24 days of the Day Tripper trolley this season has been quite high. The average daily ridership is much higher than the previous four years, and it has been very consistent. Mr. Geiogamah noted that Behavior Research will survey trolley riders from January to March. Results will be presented to the TDC at the end of the program.

4. TDC Work Study Meeting Follow-Up

Mr. Geiogamah presented a plan of action stemming from the TDC Work Study Session last month, and requested feedback from the Commission. The document will be used to plan activities going forward. Chairperson Scholefield suggested adding an ongoing review of the event guidelines to ensure that they remain in line with marketing strategies. Mr. Geiogamah noted that such a review is incorporated into Objective Three. Commissioner Hirose suggested arranging separate work plans for short-term, medium-term, and long-term objectives, since they require different approaches.

5. Tourism Development Commission Annual Report

Mr. Geiogamah presented the TDC Annual Report, which outlines actions and discussions by the Commission in 2014, and requested TDC feedback. The approved Annual Report will be presented to City Council next month. Chairperson Scholefield proposed incorporating portions of the action plan from the Work Session. Commissioner Hirose suggested adding summaries for some of the TDC dialogues that did not result in action, such as WestWorld public art.

COMMISSIONER HIROSE MOVED TO APPROVE THE ANNUAL REPORT AS AMENDED. COMMISSIONER MCCREARY SECONDED. THE MOTION CARRIED BY A VOTE OF SEVEN (7) TO ZERO (0).

6. Baseball City Event – New Event Funding Proposal

Mr. Geiogamah said the Baseball City event will be held on March 7 and 8 at the Civic Center Mall. Producers are requesting \$75,000 from the one-time allocation fund, which has \$104,000 remaining for the current fiscal year.

Mike Phillips explained that Baseball City originated as the Spring Training Festival in 2012, celebrating the history and culture of spring baseball in the Valley. The Scottsdale Charros produced the event for the first two years. The goal was to create a symbolic kickoff to spring training, position Scottsdale as a focal point for Cactus League activities, and work towards creating a national event that celebrated baseball. The first three years accomplished those goals, but a partnership was sought to elevate the festival to the next level. He said the Legacy Agency is a good fit because they have deep connections to baseball and the media, and they share the same vision for the festival.

Mike McCarthy said The Legacy Agency has a strong foothold on the world of baseball, representing nearly one hundred current major league players and several hundred prospects. The agency handles contractual negotiations with teams and marketing opportunities for high profile athletes. Legacy has experience in staging big events including a recent sold out game at Chicago's Soldier Field featuring the New Zealand National Rugby Team. Baseball City would be held on two days from 11 a.m. to 6:30 p.m., and is expected to draw 10,000 to 15,000 people. The Civic Center Mall is an ideal site because of its proximity to Scottsdale Stadium and Old Town. The event was held in downtown Phoenix last year. While that site had many positive qualities, it could not generate any foot traffic on the weekend.

Mr. McCarthy said the Legacy Agency has strong connections with sponsors. The event will feature a range of players from young talents to Hall of Famers. San Francisco Giants players will attend directly after their two home games at Scottsdale Stadium that weekend. The 2014 media plan was highlighted by a presence on the Major League Baseball network. Both the MLB Network and Fox Sports 1 are interested in covering the event this year. Marketing across Arizona was very aggressive. The festival location is perfect for a studio show. Because of the number of players available, the festival also attracts substantial outside media attention.

Mr. McCarthy stated that the site plan for the festival will take advantage of the unique features of Civic Center Mall, and will create a smooth transition from the stadium to the event entrance. Interactive games will be available. All 15 Cactus League teams will participate. The producers will spend \$150,000 on tourism awareness both inside and outside the Scottsdale market. The ESPN Radio campaign will focus spots in the key markets of Los Angeles, Dallas, Chicago, and San Francisco, areas that are expected to generate many tourists.

Vice Chairperson Enders inquired about sponsorship and partner support. Mr. McCarthy said there has been heavy interest from high-end sponsors and the situation looks stronger this year than last. Sponsors are excited about the new location and the free admission. The Scottsdale Charros have been very helpful partners, as have the Giants and the SCVB.

Commissioner Hill inquired about the size of the footprint last year. Mr. McCarthy said the festival occupied the lower level of the Phoenix Convention Center at just over 60,000 square feet. It had about 30 tents and attracted about 3,000 attendees.

Chairperson Scholefield observed that the festival's talent budget might not count towards the marketing of the destination. Mr. McCarthy said he has been working closely with staff to clarify that matter.

Commissioner Hirose noted that W Scottsdale is listed as a host hotel, but he has no booking for that group. He expressed approval of the idea and the site, and requested a list of sponsors and details on the media plan once they become available. Commissioner McCreary inquired about plans for a weather backup. Mr. McCarthy said there are plans for tenting and an indoor space is available if necessary.

COMMISSIONER ENDERS MOVED TO APPROVE UP TO \$75,000 IN FUNDING FROM THE ONE-TIME COMMITMENT FUNDS, PROVIDED THE EVENT MEETS THE REQUIREMENTS OF THE PROGRAM. COMMISSIONER HILL SECONDED. THE MOTION CARRIED BY A VOTE OF SEVEN (7) TO ZERO (0).

7. Tourism Related Capital Projects Evaluation Process

Mr. Geiogamah noted that the TDC reviewed the capital projects evaluation matrix during the Work Study Session in December. The matrix will serve as a tool for evaluating capital projects and prioritizing them for City Council. Chairperson Scholefield asked whether the tool has been reviewed by the Tourism Advisory Task Force. Mr. Geiogamah responded the strategic plan provides project implementation priority, but the TATF may be interested in using this one moving forward. Chairperson Scholefield requested input from the TATF. Commissioner Hirose noted the similarity of some the evaluation factors and suggested that it be streamlined. Mr. Geiogamah said the Event Working Group will be tasked with providing suggestions.

8. ESPN FanFest Event Update

Kate Birchler, Assistant Vice President of Tourism and Marketing for Macerich, provided an update on FanFest Scottsdale. The event will take place on the northern part of Scottsdale Fashion Square just north of the Macy's parking garage between Scottsdale Road and Goldwater Boulevard. ESPN will face Camelback Mountain. Site activation will run in support with ESPN's broadcasts, and activities are designed to get participants excited about the game. Information is available at fanfestscottsdale.com.

Ms. Birchler said FanFest will be an experience unique to Scottsdale. No admission will be charged. A culinary pavilion will have daily chef demonstrations, competitions and themes. A wide variety of interactive games and activities will be available. There will be a runway fashion show every day at 7:30 p.m. The SCVB will have a welcome center for visitors. A food court will rotate trucks for breakfast, lunch and dinner, and a fan pub will represent both teams. ESPN will broadcast live from the FanFest. Players will make appearances. The official kickoff rally is on January 26 at 10 a.m. The Players' Wives Fashion Show is a ticketed fundraising event for charity on January 30 at 11:00 a.m. Coca Cola will host a dance party on Friday, kicking off a full weekend of activities and events.

Emily Ginzi, Senior Marketing Manager for Scottsdale Fashion Square, reviewed the marketing and promotion campaign for FanFest. About \$120,000 worth of television and radio spots, billboards, and online banners are currently running in the market. Several VIP experiences will be given away to radio listeners. *Where* magazine is dedicating a cover wrap to FanFest, and providing daily blog itinerary information for visitors. Hotel brochures will be distributed this week around the Valley. A water bill insert was distributed in January. Special approval for directional signage has been secured. Scottsdale Fashion Square and ten other Macerich malls in Arizona provided free signage in support of FanFest throughout the holiday season. TV spots are running on Cox Cable and other networks. Email blasts have been sent over the past two months. ABC 15 and Fox 10 will start broadcasting live on Monday. KTAR plans to broadcast from the FanFest from 2 p.m. to 6 p.m. Monday through Friday. Ms. Bircher stated that FanFest is working with the City to ensure that the event meets all of its contractual obligations.

Commissioner Hill inquired about trolley service. Ms. Ginzi said the trolley stop at Fashion Square will move slightly for the duration of the event. Directional signage will point people to FanFest from there. About 2,000 trolley riders will receive a lanyard with various passes attached, including one for FanFest. Ms. Birchler assured Commissioner Hill that enough room will be available at the trolley stop to allow several vehicles to move freely in and out at the same time.

9. Identification of Future Agenda Items

Mr. Geiogamah said future agenda items include the capital projects evaluation sheet review, a quarterly SCVB update, a joint meeting with the McDowell Sonoran Preserve Commission, and a Tourism Advisory Task Force update. Chairperson Scholefield requested continued Day Tripper Updates throughout the season. Commissioner Hirose requested a post-event report on FanFest.

10. Public Comment

There were no public comments.

11. Adjournment

The meeting adjourned at 9:25 a.m.

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