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.

2. **Approval of Minutes**

- January 20, 2015 Regular Meeting

**COMMISSIONER MCCREARY MOVED TO APPROVE THE MINUTES OF THE JANUARY 20, 2015 REGULAR MEETING AS PRESENTED. COMMISSIONER**
3. Manager Reports

a. Staff Bed-Tax Collection Report

Mr. Geiogamah reported that bed tax collections for the month of January were up 4%. Taking into account late payments for business activity in December, the increase for the month was 9%, and for the year to date was 11%. The resort classification jumped substantially in December by 18.5%. The full service and limited service sectors both did well at 9.1% and 15.2% respectively.

b. Bed Tax Proforma

Mr. Geiogamah said the proforma has been updated to reflect TDC requests. The one-time commitment section now highlights recent actions taken, including the PRC Champions Rodeo, which was approved by City Council. Baseball City, which was approved by the TDC, will go before City Council later today for their consideration. The Desert Discovery Center debt service now indicates that the allocation was reserved by the TDC on March 20, 2012. The Competitor Group Marathon Series currently shows an allocation of $115,000, but this will be reduced by about $24,000 following the suspension of the women's half marathon. The contract with the marathon series is entering its last year, when complete the event will eligible for the Tiered Event Funding Program.

Chairperson Scholefield inquired about the need for future Tourism Advisory Task Force allocations. Mr. Geiogamah responded that the TDC approved $625,000 in the first year of the plan, but those funds have not been entirely expended. When additional funding becomes necessary, possibly by the end of the current fiscal year, the request will be brought before the Commission for approval.

Chairperson Scholefield requested an update on the TDC’s DDC funding allocation recommendation. Mr. Geiogamah explained that the Attorney's Office is of the opinion that the TDC's motion required both a bond measure and a private fundraising effort. The project was not included in a bond, and there was no response to a request for proposals outlining fundraising initiatives. The DDC matter could potentially be discussed at the March 30 joint meeting with the McDowell Sonoran Preserve Commission. The City Council also plans to discuss the DDC at a work study session in late March.

c. Smith Travel Report

Mr. Geiogamah said occupancy year to date is 2.9%. The average daily rate is trending up 7.3%, and RevPar is 10.5% up year to date. These numbers are consistent with group meeting results.
d. Program Updates

Mr. Geiogamah stated that the Event Working Group recommended an allocation of $22,035 in funds for Arizona Bike Week, which has been bumped up to Tier 1 status. Commissioner Hirose noted that the event has been averaging about 90,000 people.

Mr. Geiogamah said staff followed up with Baseball City organizers on their sponsorship support. To date, Baseball City has seven sponsors, nine partners, and ten former baseball players have agreed to appear.

Paul Basha reported that Day Tripper ridership is up about 17% over last season. Average daily ridership continues to increase day by day over the course of the season so far. The total ridership for the first 52 days has exceeded 10,000. Last year staff estimated that increasing the frequency from 30 minutes to 15 minutes would increase ridership by between 15% and 20%, and that increasing the frequency to ten minutes would increase ridership between 20% and 40%.

Chief Swick, a Division Chief with Scottsdale Fire Department, reported that the period from November of 2014 through to the end of the Super Bowl 2015 saw a large number of events throughout the Valley that benefitted from regional police and fire coordination. Barrett-Jackson Auto Auction now covers over 1,000,000 square feet of space and brings in over 320,000 attendees. The Phoenix Open attracted record numbers this year, over 563,000. The stadium at the 16th Hole alone holds 30,000 people, which is more than the U.S. Airways Center.

Chief Swick says public safety officials take an all hazards approach, including plans for police, fire, medical, terrorism, hazardous materials, and weather-related emergencies. While Scottsdale had the largest share of activities related to the Super Bowl, public safety officials had to plan for events that stretched across the entire Valley. In 2008, Arizona was the first host community to take a regionally coordinated approach to public safety. The NFL was so satisfied with the results that they now ask all host cities to operate in the same fashion.

Chief Swick stated that volunteers were used to help fill gaps in service. They operated courtesy carts at the golf tournament for patrons who needed it. Charles Schwab is requesting the same service for their upcoming tournament at Desert Mountain.

Commissioner Hill inquired whether public safety has a pre-made packet to explain regulations to event producers. Chief Swick responded that producers are required to meet with the Special Events Committee, where they can learn about all of the City’s requirements in one place.

Chairperson Scholefield thanked Chief Swick as well as the entire public safety department for everything they do behind the scenes, on behalf of the TDC as well as the entire city.

4. **SCVB Second Quarter Performance Measures Report**

Rachel Sacco, President/CEO of the Scottsdale CVB, reported on performance measures through the first half of FY2014/15. Year to date, every category is exceeding
established goals. Compared to last year, only two areas are lagging slightly: site inspections and bookings, but these results are mainly a matter of timing. About 62% of bookings are corporate, about 23% are associations, and 15% is niche related. In October, a new marketing and advertising program was launched throughout the U.S. and Canada. This campaign includes television commercials, train wraps, building wraps, outdoor advertising, and a robust print schedule.

5. Preliminary FY2014/15 Destination Marketing Program Objectives

Mr. Geiogamah reviewed Destination Marketing Program objectives for the remainder of the fiscal year. The Annual Destination Marketing Guide, which is produced by the SCVB, will soon be brought before the TDC for recommendation and then on to City Council. The city’s tourism program is set to receive an estimated $16.4 million in total bed tax collections during the next fiscal year, of which $8.2 million will available for destination marketing. The program’s objectives encompass marketing, communication strategies, convention sales and services, and tourism. Each year, staff meets with SCVB to review performance measurements, and discusses possibly modifications. The TDC will review next fiscal year’s goals at the April meeting, in anticipation of City Council action in June. Commissioner Hirose suggested adding the identification and development of new niche markets into the program.

6. FY2015/16 Event Support Funding Programs

Mr. Geiogamah stated that the Event Working Group will soon begin the process of reviewing the city’s event support funding program for the next fiscal year. New initiatives be considered include a Tourism Department welcome packet, streamlining the the event funding application process for new and repeat applicants. He noted additional items which will be consider such as event surveys, City-driven promotional opportunities, room night threshold requirements, marketing evaluation report formats, and methods of determining the value of events. Should event producers who have more than one similar event a year be able to apply more than once for funding? He noted that the old name for the program, Matching Event Advertising Funding program, caused less confusion than the current name does and a name change should be considred.

Commissioner Hirose suggested reducing the frequency of required surveys for events that meet room night thresholds. Vice Chairperson Enders said the progress made in event support funding has been great, but should continue to evolve over time to remain relevant. Chairperson Scholefield suggested that Scottsdale explore opportunities to learn more about best practices from competing destinations. Mr. Geiogamah said staff does solicit feedback from producers on what Scottsdale does well and what could use improvement.

Chairperson Scholefield inquired about opportunities to solicit input from a broader base of people. Mr. Geiogamah responded that staff has been gathering feedback from a select group of event producers on potential changes to City ordinances related to events.
Commissioner Hirose felt that a set of clear guidelines should be established before event producers are allowed to apply more than once per year. Commissioner Hill suggested reducing room night thresholds for events that fall during the shoulder or off season.

7. **Public Comment**

There were no public comments.

8. **Adjournment**

Mr. Geiogamah said the next meeting is scheduled for March 17. Upcoming agenda items include the event funding program recommendations, final reviews of the ESPN FanFest and other Super Bowl activities, and the possible establishment of a contingency fund for the Tourism program.

Commissioner Hirose requested a preview of summer events and activities, and inquired about potential studies on the impact of holding the Phoenix Open and the Super Bowl on different weekends. Commissioner Grupp requested a report on air traffic at Scottsdale Airport, including flight originations and destinations.

The meeting adjourned at 8:57 a.m.

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