

PRESCOTT CITY COUNCIL
WORKSHOP
TUESDAY, NOVEMBER 17, 2009
PRESCOTT, ARIZONA

MINUTES OF THE WORKSHOP OF THE PRESCOTT CITY COUNCIL held on TUESDAY, NOVEMBER 17, 2009 in the Prescott City Council Chambers, 201 South Cortez Street, Prescott, Arizona.

◆ **CALL TO ORDER**

Mayor Wilson called the meeting to order at 2:00 p.m.

◆ **ROLL CALL:**

PRESENT:

Mayor Wilson
Councilman Bell
Councilman Lamerson
Councilwoman Lopas
Councilman Luzius
Councilman Roecker
Councilwoman Suttles

ABSENT:

None

1. Presentation by AnnDee Johnson, Director of Research and Strategic Planning for the Arizona Office of Tourism, on the Results of the year-long Visitor Information Study.

Prescott Chamber of Commerce Director Dave Maurer said that over a year ago members in the community were approached by the Arizona Office of Tourism about their interest in conducting a survey. He said that the last time Prescott had a survey like this was nearly 15 years ago and they were very appreciative to have been selected by the Office of Tourism. He said that this is the first public presentation on the results of the completed survey.

He then introduced AnnDee Johnson of the Arizona Office of Tourism who said that they were pleased to present the results. She said that they worked with Northern Arizona University and their Arizona Hospitality and Research Center. She said that over the last three years they have completed similar surveys for the Verde Valley, Lake Havasu City, Flagstaff, and they have just wrapped up the report in the Prescott area and Globe/Miami/Superior.

Ms. Johnson said that it is the process that is important. She said that they receive

receive calls all the time, but based on the way they collect their data it is difficult to have local information, unless this type of survey is done. Their regular data collection is geared more toward statewide, or regionally. She said that when they are looking at communities to survey, they are looking for those with stable leadership and those able to commit to a year-long process. She congratulated everyone in the room that completed the process as it was not an easy one.

Ms. Johnson thanked the team members that met with them up front: Dave Maurer, Robert Coombs, Susan Shepmann, Marnie Uhl and Ab Jackson. She then introduced Cheryl Cochran, Director of the Arizona Hospitality Research and Resource Center at NAU.

Ms. Cochran then presented a PowerPoint presentation, Exhibit A attached hereto and made a part hereof, which addressed the following:

- ▶ SURVEY METHODS
- ▶ SURVEY COLLECTION SITES
- ▶ VISITOR GENDER
- ▶ AVERAGE VISITOR AGE
- ▶ VISITOR GENERATIONS
- ▶ AVERAGE INCOME
- ▶ AVERAGE PARTY
- ▶ VISITOR PARTY TYPE
- ▶ HOW DID YOU HEAR ABOUT PRESCOTT?
- ▶ PRIMARY DESTINATION
- ▶ TRIP PURPOSE
- ▶ TRANSPORTATION MODE
- ▶ LENGTH OF STAY
- ▶ LODGING TYPE
- ▶ VISITOR ORIGINATION
- ▶ ARIZONA ORIGINS

- ▶ FOREIGN VISITORS
- ▶ VISITOR SPENDING
- ▶ WHO SPENT THE MOST
- ▶ TOP ACTIVITIES
- ▶ MOST VISITED ATTRACTIONS
- ▶ SATISFACTION WITH PRESCOTT
- ▶ OVERALL SATISFACTIONS
- ▶ ECONOMIC IMPACT
- ▶ SUMMARY
- ▶ HOW TO USE IT?
- ▶ QUESTIONS

Mayor Wilson asked if anyone had used the “common sense rule” on the number of jobs referenced a few slides back. The gentleman who ran the model for NAU said that the numbers the model indicated are probably a little higher than the actual job opportunities, but there is always room for interpretation.

Councilwoman Suttles said that in looking at the presentation and the information, it is difficult to know what they can do to make it better. She asked how they can use the information to do better.

Ms. Cochran said that this last year has been hard for everyone nationwide. She said that some people were concerned that the study was being done during the recession, but before that hit there was a bubble, so the numbers they have now may be the “new normal”. She said that they are good findings with which to go forward.

Ms. Johnson said that one thing to do with the information is that they now know what their visitors look like. They can then ask themselves if those are the visitors they want to bring to Prescott, or if there are segments of the population to which they should direct their focus. An example is that they see that many of the visitors are older and perhaps they could direct some more effort to different social medians, to address some of the younger generation. She said that another idea is to put together packages to get people to the area.

Councilman Lamerson thanked them for the report, noting that it was good news. He said that maybe they need to thank their blessings and take care of what they have. He said that they were coming for the history, the Elks, the rodeo, etc.; everything that makes them what they are.

Ms. Cochran said that the study reiterates that the historic cultural visitor is a very important one to appeal to, and they may want to broaden that to appeal to other groups, realizing they need to protect that resource.

Councilwoman Lopas thanked them for the report, noting that she was in the real estate industry. She said that she had been talking to a few of the hotel owners about how much of the bed tax dollar was affected by the visitor looking to move. She said that this is a better snapshot of the true visitors to Prescott.

Mayor Wilson said that he used to have a modeling group at Amoco. One of the things stated in the report is that they generated \$23 million in tax and that is an important number in his mind if it was true, but if it was not true and was overstated, compared to what they actually spent, it shows the importance that the sensitivity of that number is fine tuned. The gentleman said that he would agree. He said that the tax dollars included federal, state and local taxes; the model does not break it out. He said that he would see if they could get it out of the model, and he would continue an e-mail conversation with the Mayor.

Mayor Wilson said that he also found it interesting that so many learned about Prescott through word of mouth and to him it indicated that they have not done enough with their online efforts.

Councilman Luzius said that one thing to keep in mind that is that those areas where they are spending more money are not as down as much as Prescott, such as Flagstaff. He said that they were recently given an influx of \$50,000 to the tourism fund and they were not down nearly as much as Prescott. He said that the social media is one way to do it, but Flagstaff is running ads in Los Angeles, Phoenix, and Texas. He said that Prescott needs to have more marketing. To make money they have to spend money. He said that he has seen the larger companies, such as Disneyland, spending more money on marketing when times are tough.

Noel Breen, Hassayampa Inn, said that one thing he noted from the survey was that 10.9% of visitors found out about Prescott through online sources, without much work done in that median. On the other hand, only 7.5% heard about it from print, with the vast majority of money going to print and a little broadcast. He said that 91% of the people come to Prescott in vehicles and it would seem like they are missing the boat. He said that Flagstaff spends a lot of money on billboards.

Ms. Cochran said that it was interesting to find that no matter where they go to do these studies, approximately 46% of their visitors learn about the community through word of mouth.

Jenny King, Prescott Regional Convention/Visitors Bureau, asked if it was their stance that demographics of the baby boomers could be defined as a cautionary spending, that it is time to start looking in different directions, and maybe create other avenues to attract the broader audience.

Ms. Johnson said that at the state level their bread and butter are the baby boomers. They understand that the downturn has hit them harder because of their home values and decreased portfolios. She would agree that they are at a cautionary spending time, but there were two aspects to the baby boomer generation that are critical to remember. First when the parents of boomers die, there will be the largest transfer of wealth to the baby boomers in this country and they will be able to refund their portfolios and make travel decisions. Second, they are already inclined to come to Arizona; they are the ones that want to sit on the rim of the Grand Canyon and contemplate the world, and also visit Prescott. She said that they would not be in favor of pushing them aside for the next generation.

Ms. King asked if they would see this as a time for Prescott to expand their efforts to include other demographics and other targets. Ms. Johnson said that it is something they are looking at also at the state level because they visualize it as a pipeline. They have the boomers, but the 30-year olds may not see Arizona at the top of their list so they need to determine how to start developing that group and help them understand that Arizona a good possibility for a vacation, not to the detriment of the baby boomers, but rather in addition to them.

Mayor Wilson said that he believed that they were agreeing that they want both. He said that one of the telling things is the hotels, and when they had the Whiskey Road Off-Road the rooms were all full.

Ms. King asked if it was typical to have 28% of visitors to a city end up at the mall and asked if perhaps they were running out of things to do. Ms. Cochran said that shopping was at the top of the list and it would not be uncommon for them to visit the mall along with other venues.

Councilman Lamerson said that he would also suggest that some of the downturn has to do with the downturn in industries related to sales tax general and bed tax generation—the construction industry. He said that construction has been huge in Prescott's economy and if there is no building and no road projects, there will be less business for the growth-related industries.

Ms. Cochran said that tourism is huge in rural Arizona, more so than the urban areas and the good news in looking forward to 2030 and 2040 is that it will be in Arizona.

Councilman Luzius asked if it was possible to get a copy of the report. Ms. Cochran said that she brought a few copies and also had copies of the Executive Summary. Additionally, she said that it could be obtained online as a PDF file.

Councilman Luzius said that the Office of Tourism is a state agency, and he thought the state agencies should get together. He said that it is difficult to see survey results showing how many people travel via vehicle, and on the other hand ADOT (Arizona Department of Transportation) closing down all but three rest stops across the state.

2. Adjournment

There being no further business to be discussed, the Workshop of the Prescott City Council held November 17, 2009 adjourned at 2:40 p.m.

JACK D. WILSON, Mayor

ATTEST:

ELIZABETH A. BURKE, City Clerk