TOURISM ADVISORY COMMITTEE
REGULAR MEETING
THURSDAY, AUGUST 16, 2018
PRESCOTT, ARIZONA

MINUTES OF THE REGULAR MEETING OF THE TOURISM ADVISORY COMMITTEE HELD ON AUGUST 16, 2018, AT PRESCOTT CITY HALL, LOCATED AT 201 S. CORTEZ ST., PRESCOTT, ARIZONA.

A. Call to Order. Chair Margo Christensen called the meeting to order at 11:01 a.m.

B. Roll Call.

TOURISM ADVISORY COMMITTEE MEMBERS:

Present:
Margo Christensen, Chair
Matt Brassard, Vice Chair
Steve Bracety
Robert Coombs
Bill Mc Cleary
Jason Seidman
Fred Veil
Kim Villalpando
Mayor pro tem Billie Orr

Absent/Excused
Amore Cianciola, Secretary
Cindy Gresser

STAFF PRESENT:
John Heiney, Community Outreach Manager
Joe Baynes, Recreation Services Director
Wendy Bridges, Economic Development Coordinator
Ann Steward, Sales & Marketing Coordinator
Heather Hermen, Marketing & Public Relations Consultant
Kristi Miller, Prescott Airport Administration

C. Approval of June 20, 2018 Minutes. **MOTION TO APPROVE JUNE 20, 2018 MINUTES BY Bill McCleary, SECOND BY Matt Brassard. MOTION PASSES UNANIMOUSLY.**

Chair Christensen announced that due to a scheduling conflict, Item G.5. will be moved up on the agenda.

G. 5. Airport Update: Kristi Miller announced that United Express operated by SkyWest Airlines passenger service to Denver and Los Angeles on August 29. Load factors for the airline are already showing positive at 30%. Runway construction includes a $6 million rehabilitation to accommodate new jet service, and construction is on schedule with an expectation for completion within a week. The ribbon cutting timeline for the new air service is presented. The event will include a water arch by the fire department. The inaugural flight is sold out. Committee member Bill McCleary asked what is the largest jet that can land at the airport. Ms. Miller indicated that she would need to check on that, however many improvements are being planned for the airport in the coming years, including a new terminal.

Chair Christensen announced that the committee will resume the agenda.

D. Committee Member Announcements.

1. Steve Bracety: The Prescott Resort has lots of groups coming in, and is booked solid for September and October. Some of the groups include Rural Water of Arizona and Arizona Manufacturers' Council.

2. Kim Villalpando: The Phippen Museum has the 5th Annual Hold Your Horses Exhibition and Sale underway right now.

3. Mayor pro tem Orr noted that the Arizona League of Cities & Towns is taking place next week and will be attended by Prescott City Council members and staff. The airport plan has been approved, and it includes a new terminal design, and approximately 90% of the funding would come from the FAA. The local match is a very low percentage.

4. Bill McCleary updated the committee on the efforts of the Prescott Downtown Partnership, including putting in a kiosk, which has been difficult and costly, and establishment of a committee to ID what it means to be an Entertainment district, and is beginning planning for the Christmas holiday.

5. Chair Margo Christensen noted that Ponderosa Hotel Management has settled into a new office on Cortez Street, and invited all members to stop by, as well as offering a location for a future meeting.

6. Robert Coombs indicated that there are several big events this weekend, including the Monsoon Festival on Saturday, with minimal street closures. The Chamber Walking Tours are their signature event and encourages committee to check out the events calendar.

7. Vice Chair Matt Brassard indicated that he was very happy with the summer, and was very good for business.

8. Jason Seidman agreed with Matt, business enjoyed a great summer.

9. Fred Veil noted a successful Western Symposium at the Prescott Centennial Center. Sharlot Hall Museum expects to break ground on the new facility at the end of the year, probably an 8-10 month project. Sharlot Wine Fest coming this weekend.

E. Arizona Governor's Conference on Tourism. Ann Steward provided a brief update on the recent conference, and will email the high points to committee members. This year had record attendance.

F. Visitor Center Sponsorship Presentation. Chair Margo Christensen recused herself and turned meeting over to Vice Chair Matt Brassard. Sheri Heiney, President & CEO, Prescott Chamber of Commerce (Chamber), presented a request for a $25,000 sponsorship to support the Chamber's Visitor Center. The Center is designated by the State of Arizona as an Official Visitor Center. Presently funded by membership and sponsorships, it costs a little over $50,000/year to operate Visitors' Center. By selling maps and other items, they raise about $22,000 but there is a gap. There are about 35 volunteers that manage center. 7 days a week. Without a steady flow of funding,

difficult to keep up Center, and it is very worn out. The Visitor's Center needs help and support to really enhance the tourism experience.

Ms. Heiney noted that she meets each month with Mayor, Mayor pro tem and City Manager, and has had discussions about supporting the visitor info center. Ms. Heiney read the proposal and then passed out copies. The Chamber is asking for support in the form of $25,000 from Bed Tax, with a 3 year commitment. This type of support is not uncommon and it is important. With that, Ms. Heiney invited the Committee to ask questions.

It is noted that Robert Coombs will abstain from voting. The Committee will be voting on whether or not to make a recommendation to send this request to City Council. Steve Bracety indicated that Sedona is changing and there is an opportunity for Prescott to acquire some of the market share. Mayor pro tem Orr noted that the Mayor and City manager and herself are supportive of this.

Steve Bracety requests yearly reports, and Ms. Heiney offers quarterly reports. Fred Veil inquired as to what the Chamber's budget is and Ms. Heiney replied it is $550,000, with $22,000 devoted to the center. The Center receives about 4% of budget.

Jason Seidman asked what bed tax is, and John Heiney provided an explanation that it is the Transient Occupancy Tax or "Bed tax" collected specifically by hotels and it dedicated to tourism and recreation by law. All marketing that this committee recommends is funded by bed tax, all collected by hotels.

Kim Villalpando inquired whether this sponsorship could be put into this fiscal year, and John Heiney replied that it can. Funding is available in bed tax, $100,000 has been set aside for requests through the fiscal year. No other requests at the present time.

The Committee discusses the request, remarking that $25,000 dedicated to tourism is quite small compared to all they are tasked with, and inquired to Ms. Heiney if she would actually need more. Ms. Heiney replied that the Chamber will also be taking responsibility for the costs, and has a 501 C3 foundation and the board for foundation will be doing fundraising, going after some grants and taking a look at the condition of the building. Ms. Heiney further added that for the purposes of the Center, $25,000 is a fair amount to ask of this group.

Vice Chair Matt Brassard asked if the tourism fund balance gets carried over? John Heiney responded that yes, the balance does carry over from year to year.

There being no further discussion,
MOTION TO APPROVE MAKING A RECOMMENDATION TO CITY COUNCIL TO SUPPORT THE PRESCOTT VISITORS' CENTER IN THE AMOUNT OF $25,000 ANNUALLY FOR 3 YEARS BY Bill McCleary, SECOND BY Steve Bracety. MOTION PASSES UNANIMOUSLY, with the following abstentions: Margo Christensen and Robert Coombs.

G. Staff Reports/Information

1. STR/Bed Tax: Reports were distributed, and John Heiney noted that numbers continue to have single and double digit increases, and he will be attending the annual the STR Forecast in Flagstaff.

2. Community Outreach Manager Report: Brand new economic development magazine presented. Project brought to the City by Elaine Earle from Rox Media, and copies available. It has been submitted for an award to the Arizona Association of Economic Developers at the Fall Conference in Flagstaff. Ernest A. Love Days is being planned to commemorate 100 years. There is a display in the library, reception on October 4, and will have a reenactment of the dog fight over France at the Wings Out West show.

3. Marketing and Public Relations Report: Heather Hermen deferred this item, indicating that she will be presenting at the Tourism Team Up event immediately following this meeting.

4. Recreation Services Update: Joe Baynes reported that the Peavine Trail is being repaired, they are putting up surfacing material today. There were 7 tournaments in the last 2 months, 211 teams, 5,000 participants not including spectators. The City is looking at revitalizing the Greenways Trail from Mile High Middle School over to Willis Street.

5. Item G.5 was heard earlier in the agenda.

6. Upcoming Meetings: Sept. 20 and Oct. 18 are regular meetings. November 15 is being suggested as a TAC Committee luncheon, similar to what was done last year, and suggested that there would be no meeting in December. By consensus, Committee indicated that the suggested schedule is acceptable.

Returning to Item D., Mayor pro tem Orr mentioned that the Arizona League of Cities and Towns is researching the distance currently allowed under travel visas from Mexico. Currently, the visas allow travel for 75 miles from the border, and the League is contemplating making it statewide. By consensus, the Committee supports a statewide travel visa for Mexican citizens.

H. Future Agenda Items. None.

I. Adjournment. There being no further business to discuss, the Tourism Advisory Committee Meeting adjourned at 11:53 a.m.

Respectfully Submitted by:

Wendy Bridges

Wendy Bridges

Margo Christensen

Margo Christensen, Chair