

TOURISM ADVISORY COMMITTEE
REGULAR MEETING
WEDNESDAY, May 13, 2020
PRESCOTT, ARIZONA

MINUTES OF THE REGULAR MEETING OF THE TOURISM ADVISORY
COMMITTEE HELD ON May 13, 2020, Via Zoom Meeting. CORTEZ STREET,
PRESCOTT, ARIZONA.

A. Call to Order: Chair Margo Christensen called the meeting to order at 11:08 a.m.

B. Roll Call:

TOURISM ADVISORY COMMITTEE MEMBERS

Present:

Margo Christensen, Chair
Matt Brassard, Vice Chair
Jim Dawson
Robert Coombs
Fred Veil
Peter Grebauer
Linda Nichols
Cindy Gresser
Mayor Pro Tem Billie Orr

Absent/Excused:

Steve Bracety

STAFF

John Heiney, Community Outreach Manager
Ann Steward, Tourism Sales and Marketing Coordinator
Heather Herman, Front Burner Media
Joe Baynes, Recreation Services Director

C. Approval of February 19, 2020 Minutes - **MOTION TO APPROVE FEBRUARY 19, 2020 MINUTES BY Matt Brassard, SECOND BY Jim Dawson. MOTION PASSES UNANIMOUSLY.**

D. Committee Member Announcements

Peter Grebauer (Watson Lake Inn) – First zoom meeting. He is hopeful for June, they have been taking bookings for rooms and cooking classes. Also, they have been busy with maintenance projects.

Linda Nichols, (Committee Member) – Dog Park memorial bricks are being put out. APS plaque has been placed also at the Park.

Cindy Gresser, (Museum of Indigenous People) – Museum closed on St. Patrick's Day. Volunteer core in in the at risk category, so museum is taking precautions. April (Contemporary Native Arts Festival) event was cancelled, Rug Auction delayed in order to put safety protocol in place. They are planning for a soft re-opening in June with a thorough cleaning of the museum

and new exhibit in July. Continuing to work on putting certain safety measures in place for the museum such as social distancing. Right now staff is heavily focused on funding, they have been able to keep everyone employed through the crisis and taking advantage of the resources available right now for grants and loans.

Jim Dawson, (Committee Member) – Expressed his empathy and admiration to everyone for everything they are going through during this time.

Matt Brassard, Vice Chair (Matt's Saloon) – Waiting to open and he discussed the vagueness for bars being able to open depending on food service, etc. The Whiskey Row bars have decided they will open together and they hope that is soon, maybe for Memorial Day. They have been taking this opportunity for maintenance and improvements as well, re-sanding floors, painting, and sprucing up.

Fred Veil – Museum has been closed since late March, do not have a projected date for re-opening, waiting to see how see things evolve and develop and when they can re-open safely and that they have people who want to come, taking that issue into account as well. Construction of Education Center was completed and offices are being moved into that building today. Invited everyone to come see the new building when it is the right time to do so. 37th Folk Arts Fair was cancelled, they have moved the Prescott Indian Art Market from June to September, hope to have Wine Fest and Symposium in August, again will wait to see how things evolve. Lots of work done on other infrastructure and they will be ready to re-open when they feel it's appropriate to do so. Like Cindy Gresser noted their volunteer core is also in the at risk category.

Robert Coombs, (Visitor Information Center) – Chamber technically has not been closed. Robert has been there restocking the outside brochure racks. The Visitor Information Center has been closed to the public since March 15th and they plan on having a soft opening on May 18th with precautions in place such as sneeze guards, cleaning, etc. The volunteers will not be there and won't probably return till June. When they do volunteers will be wearing face masks, they will probably have one way in and one way out, putting out hand-sanitizer. As far as events, they are still planning on moving forward with precautions, unless they are told they can't. It will be good practice for people and staff how these events will be moving forward. Visitor Center bathrooms will not be open. Gift Certificate program sales have been steady as well as re-location packets. It will be exciting to be open again. Thanked the committee for all they do.

Margo Christensen, Chair (Ponderosa Hotel Management) – Occupancies have been down, hasn't been quite as bad as they thought it would be. Groups and meetings did cancel through May. Springhill Suites has been under renovations so having that low occupancy helped a little bit without having a lot of people in the hotel, 29 rooms have been available, all the rest of the rooms have been down, third floor is complete which will give them 39 new rooms to sell. Residence Inn has been doing okay, they have had group business from the construction crews. Electric vehicle charging stations have been installed and are almost ready for use, they will be available to anyone, not just guests, and they are also free. Invited everyone to come for a tour at SpringHill.

Mayor ProTem Billie Orr – Thanked everyone, shared how astonishing it is to see what is happening to our economy. Just got off a National call, Secretary Elaine Chow was very encouraging, Governor Abbot from Texas was also on the call. She was hoping we would have gotten a little more guidance from the Governor yesterday, especially on bars. Hoping the next City Council meeting will open to the public, also there has been some movement on AAED.

E. Prescott Frontier Days Sponsorship FY 2021 & 2022

John Heiney shared that at this point the Rodeo is hoping to go on and John and some others from the city have seen their plan and it is very good (as far as precautions for COVID). The PFD Board has approached the Tourism office for an increase in sponsorship of \$5,000 for the upcoming fiscal years, but because Bed Tax is now down the increase will not move forward. The sponsorship will remain at \$30,000.

F. Grant Funding Reduction to \$70,000 for FY 2021

John Heiney shared that this item also ties into the Budget Overview below so he'll bring some of that information together in this item. Tourism Office has been looking very closely into the Bed Tax collections, the good news is we were having a great year of collections pre COVID, we were up 5.9% through February for the fiscal year, the projections are showing about \$800,000 for collections this year, about a 21% decrease from last year, again this is all projected, March numbers are still not in. With all of these news numbers and planning out the budget, the office is making sure we can still do the marketing programs that we need to do, etc. Last year at this time there was an approval for an increase in the TAC/PAAHC grant funding of \$5,000 which would have brought the grant fund up to \$75,000. Staff is now recommending that we reduced the grant funding back to \$70,000, which was the amount of the grant fund for several years. John Heiney commented that the number of applicants is lower, so to take that into consideration for the grant fund reduction.

G. Set PAAHC Grant Scoring Date and Appoint Sub-Committee

Chair Margo Christensen asked how many were on the sub-committee last year, she believes it was three. John Heiney stated it was three, we would like to have 3 TAC members and 3 PAAHC members to score. John Heiney recalled who was on the sub-committee. Cindy Gresser Volunteered for the sub-committee as well as Linda Nichols and Robert Coombs. Matt Brassard Commented that last year was Margo, Matt and one other TAC member.

Ann Steward commented that the best thing to do regarding scheduling a meeting is to coordinate and set the date outside of this meeting. John Heiney will coordinate the date with the 6 people who will score.

H. Marketing Plan and Preparations.

Heather Hermen shared that recently AOT & the Governor announced the Tourism Recovery Plan that they put in place, Heather has been the representative for our area, it has been interesting to hear the process of how everything is working, the plan for re-opening and the

resources that have been provided. There is a lot of content to filter through and stay on top of, what is and is not applicable to certain destinations. A lot of it will be a wait and see based on the first phase of opening. Heather asked John to look into the EDA Cares Act portion for destination marketing campaigns. Heather will forward the information to John. John commented that at this point the city is looking into cost recovery, but we'll look into the EDA as well. When it comes to what AOT is doing, they have shifted all international marketing dollars to domestic markets. Heather's request to AOT for our destination was to concentrate on the in-state market, then drive markets, the flying markets secondary, she did request for them to keep Denver as a key area for promotion because of our flight. They are still in the process of coming up with the actual marketing plan, she had a specific request for breaking it down into areas in the state geographically, and to not lump Prescott in with Sedona or the Grand Canyon, so that we are our own standalone destination. Focus on Prescott as a destination and to plan their itinerary around us. Due to data there will be a big fight over the percentage of population that is ready to travel, but our outdoors space will be an advantage for us. Tourism Office marketing campaigns will focus on outdoors and being able to spread out. She mentioned the messaging Ann and Heather are working on messaging for steering messaging to being sensitive and responsible to health concerns, boundaries, etc. AOT has also come out with a responsible recreation campaign and the importance of businesses being transparent about what measures they are taking for their staffs, facilities and customers. Marketing plans have shifted gears, AOT has not announced their co-op, normally around this time the Tourism Office is deciding what programs within the co-op we will be doing, part of the co-op funding comes from the casinos, and with casinos not being open the tourism dollars are being shifted on how to get this budget in tack for AOT. So we will be looking at in state marketing, digital, drive campaigns as a focus, and not a lot of tradeshows, travel, meetings, and international will probably not even come back into play until FY 2021, 2022.

Mayor Pro Tem Billie Orr shared that Secretary Chow shared that there were possibly funds for marketing for transportation such as airlines.

Ann Steward shared that since the crisis she has been focusing on crisis communications to stakeholders, stopped all current marketing plans, going through all the Tourism expenses, costs, etc. looking at re-budgeting. She shared that Visit Prescott will also be sharing/prompting "Safe Visitation", we welcome you, but ask that you visit Respectfully and Responsibly, the office is also sharing the AOT campaign about Responsible Recreating. Two campaigns ready to go and will more than likely launch in June, these campaigns will transition to drive markets. One is geo targeting campaign, and the other is an updated video of our Outdoors.

Waiting for the right time to launch these campaigns, when it's safe for our community, the visitors and when the right time will be to get the best value back out of those campaigns. Shared that in today's stakeholder email is information about AOT webinars coming up. Ann and Heather continue to communicate and transition the plan.

Jim Dawson commented that he wanted to reinforce what was reported and that the strategy is brilliant. From his perspective consumers will look towards what makes them feel safe, regardless of policy, therefore suppliers being transparent and making the consumers feel safe is going to be the secret to some outcome for success.

Robert Coombs shared that one of the biggest questions has been about recreation and then what businesses are open and not, etc. At the Visitor Center they will be taking precautions such as hand sanitizer, masks, etc. They want visitors to feel comfortable when they come in and know that they are taking it seriously. They will open on the 18th.

Chair Margo Christensen let the group know that hotel pools are allowed to open now as well and their hotel group is in the process of getting theirs ready.

I. Staff Report/Information

1. STR (Smith Travel Research) and Bed Tax (see handouts). John Heiney shared the Bed Tax Report for March (which is really February numbers). STR report for current week is reporting 33.6% occupancy, which is an increase. He also shared REVPAR #s which is actually \$25/week.

Chair Margo Christensen commented that their numbers also look close to the city's STR reports, the difference is Residence Inn has been housing some long term construction crews. It is what it is and it can only go up from. She is optimistic and believes our destination will fare well b/c of our outdoor space, smaller metro, etc.

2. Community Outreach Manager Report. Reported that Tricia Lewis will be resigning from TAC because of a new job. Tricia is sad, but still very involved locally, made a significant contribution to the grant process and we appreciate her support. Ann Steward commented that she and Heather are looking forward to her being in that role so we can collaborative more for our destinations as far as trip planning goes. She will be the director of Economic Development and Tourism in Cottonwood. A replacement will be looked into at the position will be re-filled going through the proper City Boards and Commissions process.

John Heiney gave a budget overview. We're looking at \$800, 000 for revenue, that's about 21% below last year's, right now budget for FY 21 is projecting about \$800,000 as well, this could change in the next couple of months. John Heiney shared that his main goal is to get the job done with marketing, but also continuing to maintain the fund balance. Council will meet on Tuesday the 19th for first budget workshop meeting. We will continue to share as we get closer with our year end projections.

3. Recreation Services Report. Joe Baynes reported that Recreation Services has been very busy, numbers have increased dramatically at lakes, parks, etc. They did put out car counters and what they found was it went from 5,500 in a week to 7,600 the next week, to 10,600 and now up around 11,000+. People are anxious and wanting to get out, they are also sharing information to the public that Recreation Services is taking precautions seriously and they should too, so banners have been placed. Trails count are up as much as 200% on some trails. Because of more in state travel, they are getting a lot of calls from Phoenix, Tucson, etc. asking what's open. They have seen an increase in their numbers through this. The next step is moving into Tournament season and what Governor will be allow, waiting for some further clarification on

that. They will also have precautions in place for tournaments – sanitizer, banners, extra staffing.

Chair Margo Christensen shared that she hoped the Memorial Day Baseball tournament will move forward. She asked if boat rentals were open, Joe confirmed that they were and they are also doing a great job with taking precautions and putting measures in place.

Jim Dawson shared concerns and comments about the destinations that have been over-run and are now hot spots for an increase in cases because of travelers. It's important for us to have the right execution, our businesses are taking precautions, but asking our visitors to be responsible as well. We need to balance the economy re-opening with the safe implementation of measures for our visitors and residents.

Ann Steward shared that she agrees and that "Safe Visitation" messaging will address this. Not only telling visitors and residents our businesses are taking precautions, but asking our visitors as well to be safe and responsible. We welcome them, but are asking them to also take measures as well.

Robert Coombs asked Joe Baynes is there were limits at certain Recreation spaces. Joe Baynes said they have thought about that, right now the space isn't an issue, because not everyone shows up at the same time. Staff has been monitoring and checking on this.

Heather Hermen reiterated what the governor keeps saying:

Be Quick, but don't Hurry. And that it's not like using a light switch, but a dimmer. We will be doing things in phases, we won't be flooding the marketing channels, and we're not opening a flood gate and asking people to come in waves of thousands, rather taking baby steps as we re-open and invite visitors back.

Billie Orr shared about the traffic at the PickleBall Courts and the very successful sales out at Affinity RV.

4. Airport Update: Due to time Ann Steward will email this report to the committee and it will be recorded with the Clerk.

5. 2020 Upcoming Meetings:

a. TAC Regular Meeting - June 10, 2020 – 11am

The committee agreed that we will move the strategic planning session to early next year, we will have a June meeting and add a July meeting.

b. July 8, 2020 – 11am

c. TAC Regular Meeting - September 9, 2020 – 11am

d. TAC Regular Meeting – October 14, 2020 – 11am

e. November – Holiday Gathering

J. Future Agenda Items. Committee Member Replacement

K. Adjournment. There being no further business to discuss, the Tourism Advisory Committee Meeting adjourned at 12:10 p.m.

Respectfully Submitted by:

Ann B. Steward

6.10.2020

Ann Steward

Date

Margo Christensen

6/10/20

Margo Christensen, Chair

Date

Transient Lodging (Bed Tax)

Reported in	Receipts	Receipts	%	Receipts	%	Receipts	%
Month	FY 20	FY 19	Change	FY 18	Change	FY 17	Change
July	97,525	105,569	-7.62%	99,145	6.55%	88,774	11.68%
August	112,621	94,491	19.19%	89,260	5.99%	84,597	5.51%
September	103,543	91,426	13.25%	77,799	17.63%	73,169	6.33%
October	96,916	93,625	3.52%	86,613	8.18%	80,050	8.20%
November	103,078	87,807	17.39%	82,434	6.62%	73,527	12.11%
December	70,926	71,110	-0.26%	66,919	6.26%	53,767	24.46%
January	74,011	77,523	-4.53%	75,782	2.05%	69,208	9.50%
February	65,494	63,487	3.16%	58,557	7.38%	48,403	20.98%
March	72,522	66,376	9.26%	73,662	-9.90%	61,741	19.31%
April	48,705	93,897	-48.13%	92,274	1.76%	86,764	6.35%
May		92,489		89,627	15.48%	77,610	15.48%
June		96,316		95,800	14.45%	83,705	14.45%
Total:		1,034,116	0.52%	987,871	6.87%	881,316	12.86%

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