

MINUTES OF THE
SANTA FE COUNTY

LODGERS' TAX ADVISORY BOARD

August 10, 2018
Santa Fe County Legal Conference Room
Santa Fe, New Mexico

I. Call to Order

This regular meeting of the Santa Fe County Lodgers' Tax Advisory Board (LTAB) was called to order by Chair Katherine Fox Ehlert at approximately 9:12 a.m. on the date cited above in the Legal Conference Room, Santa Fe County Administration Building, Santa Fe, New Mexico.

II. Roll Call

The following members were present:

Members Present:

Katherine Fox Ehlert
Nicole Fiacco
Dan Goodman
Ryan Miller [telephonically]
Tomás A. Romero

Member(s) Absent:

County Staff Present:

Lisa Katonak, Executive Administrator
Chris Hyer, Economic Development Manager
Yvonne Herrera, Accounting & Financial Report Manager

Others Present:

Dave Hayduk, HK Advertising
Vera Hayduk, HK Advertising
Carl Boaz, Stenographer

III. Approval of Agenda

MOTION: Member Goodman moved, seconded by Chair Ehlert, to approve the

agenda as published. The motion passed by unanimous (5-0) voice vote.

IV. Announcements

Member Romero announced Objects of Art this week and the American Indian Show next week at El Museo. Member Romero also announced the Northern Rio Grande National Heritage Area's grant cycle is open now and applications due before August 31.

Ms. Katonak welcomed LTAB's new board member, Nicole Fiacco. Member Fiacco is with Rancho Encantado. She asked board members to provide introductions and identify their organizations and board member positions, which they did.

V. Approval of July 16, 2018 Regular Meeting Minutes

MOTION: Member Goodman moved, seconded by Member Romero, to approve the minutes of the July 16, 2018 regular meeting as presented. The motion passed by (4-0-1) voice vote with Member Fiacco abstaining.

VI. Financial Report

A. Santa Fe County Finance Division – Lodgers' Tax Financial Report (Pro Forma)

Ms. Yvonne Herrera presented the financial report to the Board by reviewing the printed financial report for collections. She noted Ms. Clarke made some changes to the graph format to show reporting collections when received by the County rather than when earned. So the information for July was moved back to the previous fiscal year. The first graph showed what was earned each month for the last five years and the information for each graph was changed to reflect the month when it was earned. The second graph provided the past 12 months by source and the final graph reflected budget vs. actual. She explained that it was their best estimate in the budgeting.

Chair Fox Ehlert asked by what percentage actual exceeded budget.

Ms. Herrera apologized and said she would include that next time.

Member Goodman asked about the downslope during May.

Ms. Katonak stated factors included the drought with forests closed and fires nearby. Member Miller agreed with those reasons and now are coming back to normal levels.

The Board briefly discussed the remaining facilities in the County including delays for Bishop's Lodge coming back online; Estrella del Norte and High Feather, which are also offline.

Member Fiacco asked about Air B&B.

Ms. Katonak explained that the County does not have an ordinance for collecting from short-term rentals like the city has. The State of New Mexico has attempted to go forward with a legislation for Lodgers' Tax on all short-term rentals. It passed both houses, but the Governor did not sign it. The New Mexico Hospitality Association and New Mexico Department of Tourism have been working on legislation. A bill is expected for the new legislative session.

Chair Fox Ehlert suggested LTAB should e-mail support for it to the Santa Fe delegation.

Chair Fox Ehlert and Ms. Katonak commented on the effects of short-term rentals which are increasing in Santa Fe County.

Ms. Herrera said the County received \$4,400 from voluntarily paying during the past year.

B. Discussion on Lodgers' Tax Grant Program - Notice of Fund Availability (NOFA)

Chair Fox Ehlert explained the NOFA procedures and purpose of funding to Member Fiacco.

Ms. Katonak wanted to release the NOFA next week and have it out at least a month. With the next meeting on September 13, Board members would have time to review them or have a special meeting. Finance has reconciled collections and the NOFA would estimate availability of funds. Usually, we have about \$70,000 total for about 4-5 grantees. The press release is for the public and it is posted on the County website. It will be same process and same application. It has become more competitive. Unlike the City, the County doesn't distinguish those events in peak season or off-season. The criteria for the City stresses off-season. Nor does the County limit organizations from applying who have had funding for three years.

Member Fiacco asked if the Board gives away 100% of the grant funds.

Chair Fox Ehlert said often the Board holds back some to be on the safe side, in case something unforeseen arises.

Ms. Katonak said it also allows two cycles if the Board wishes.

MOTION: Chair Fox Ehlert moved, seconded by Member Romero, to send the Notice of Funding Availability (NOFA) next week and an application deadline of September 17, 2018. VOTE: The motion passed by unanimous (5-0) voice vote.

VII. Advertising Agency

A. Advertising Report from HK Advertising.

Mr. Hayduk provided a social media update with supported events why people travel. He reported on statistics and commented that the Rocky Mountain Lodgers' report shows stellar numbers. He noted that Member Romero did an awesome job responding to Commissioner Anaya's questions at the County Commission meeting.

Mr. Hayduk showed some of the ads and those in print.

Ms. Hayduk reported good results with New Mexico True branding and receiving one of the highest awards from coop advertising - \$40,000. Digital advertising is key to our success. She said they are continuing to build the tool box and have a lot of good material right now but want to continue to expand with eyes on additional access with photo and video shoots.

Mr. Hayduk said overall, our numbers are increasing - a tribute to New Mexico True program. More New Mexicans are also traveling, going to fairs and festivals, etc. So we encourage them to come to Santa Fe County.

The Board members discussed the benefits of the County's strategy with Visitor's Guide, such as no advertising, and the success of the branding being used. The conclusion was that the investments made in advertising and the Visitor's Guide have proved the investment was reaping rewards in the County.

Ms. Hayduk provided further information about social media response and what they are doing to keep social media fresh.

Ms. Katonak mentioned that the quarterly newsletter and blog are shared on the County website.

VIII. Administrative

A. Staff Update

Ms. Katonak reminded the Board that Tourism Santa Fe wants to unite the County's Visitor's Guide with the City's. Bruce Adams came last time to submit a proposal. But it was received too late to get on this agenda. A follow up question by Mr. Randy Randall was how much money we spend to produce for the Visitor's Guide and how many copies should be printed. This year, 30,000 were printed through Starline Printing in Albuquerque and roughly cost about \$12,500- \$13,000.

Mr. Adams' offer was that they already provide county content in theirs. They had a 4-week time frame to provide an answer to them. They would recognize the County with a distinctive icon for county content. They would include a four-page double sided insert for a "discounted price" of \$25,000. They want the County to pay \$25,000 for the advertising. The Santa Fe County is New Mexico True branding could only be included in our advertisement and all editorial content and oversight will be provided by Tourism Santa Fe. They would need to know by September if Santa Fe County is to be included in order to produce it in November.

Chair Fox Ehlert thought that it was probably not doable this year as it was not addressed in the budget planning for this year. So a 4-page advertorial insert was premature.

Member Goodman asked why Mr. Randall was not present.

Ms. Katonak said Mr. Adams informed Mr. Randall that he did the presentation. Mr. Randall had apologized to her for not being here.

Member Goodman asked if there would be no cost sharing.

Ms. Katonak replied that the editorial content is provided by Tourism Santa Fe and Bruce Adams covers the cost of the Visitor's Guide through advertising. She said that the Deputy County Manager, Mr. Flores does not want to make County properties pay for advertising in our Visitor's Guide. We are not in it to make a profit, we are providing services to our constituents.

Chair Fox Ehlert suggested the Board could look at the proposal for next year.

Member Miller felt there was a lack of interest from Mr. Randall to do this. He asked why Mr. Adams couldn't make the same offer available to the County as the City. That concerned him.

Chair Ehlert suggested they could consider it at budget time but wanted to table it for now.

Member Romero said the part not represented by the City are all the assets outside the City. It is not a good deal for the County. We should say we are very successful - and

none of us know what the new administration at the State will bring. We should not throw away New Mexico True in which the State has invested a lot. The City has not pushed to support the County.

Chair Fox Ehlert summarized after further discussion that the preference of LTAB is to take no action regarding participation in the City's Visitor's Guide at this time. She thanked the members for the input.

Ms. Katonak noted that she has been in communication with Darley Newman of *Travels with Darley* and Ms. Newman said they have a marathon on PBS Create Channel with 87% of the national PBS stations and will feature Santa Fe County's episodes again. She said she would share the final dates, once they are finalized.

Chair Fox Ehlert announced that Netflix was filming on their campus yesterday.

Ms. Katonak said Eric Witt and Jennifer LaBar of the Santa Fe Film Office will come to the Board in the Fall, perhaps October to give a report on the film industry which is still going strong.

B. Next Meeting Date and Location

The next meeting was set for September 13 at 3:00 pm and would include a Final Report on the Santa Fe Century event.

Mr. Hyer gave a brief report on the Outdoor Adventure Retail Show in Denver. It was a huge show and he visited 120 companies for leads and probably 10% will be good solid leads.

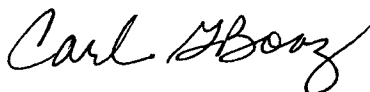
X. Adjournment

Upon motion by Member Goodman and second by Member Romero, the meeting was adjourned at 11:00.

Approved by:


Kathryn Fox Ehlert, Chair

Respectfully submitted by:



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

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I Hereby Certify That This Instrument Was Filed for
Record On The 22ND Day Of March, 2019 at 08:28:40 AM
And Was Duly Recorded as Instrument # **1881669**
Of The Records Of Santa Fe County



Deputy *Estrella Martinez* Witness My Hand And Seal Of Office
Geraldine Salazar
County Clerk, Santa Fe, NM

Santa Fe County
Lodgers' Tax Advisory Board

August 10, 2018

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SUBJECT TO APPROVAL