

VISITOR & CONVENTION BUREAU
BOARD OF DIRECTORS WORKSHOP
Special Events Policy Review
September 10, 1996

PRESIDING: Karen Berryman, Vice Chair

MEMBERS PRESENT: Tom Kleinschnitz, Doug Gust, Bill Mears, Ron Maupin, Fay Timmerman

MEMBERS ABSENT: Brad Higginbotham, Dan Sharp, Lon Carpenter, Ken Smith

STAFF PRESENT: Debbie Kovalik, Irene Carlow

The three-year funding limit was discussed in response to input received from event organizers (John Lowey, Colorado Wine Industry Development Board, and Mike Heaston, Event Marketing Group). The Vice Chair was on the original citizens committee that approached the VCB and Council about funding special events. She reviewed the committee's research and efforts that resulted in approval of special event funding, and discussed previous Boards' intentions that this remain as "seed money".

Tom agreed that new events need nurturing. He noted that the \$25,000 in Special Events is a small part of the VCB's budget that takes a lot of time and energy for the review process, and the VCB gets mostly negative publicity about this program.

Other discussion items included:

- possibly funding 1 or 2 big events that would be "owned" by the community
- discontinuing direct funding, to be replaced with a budget allocation for out of town advertising; events would submit an advertising plan in lieu of a request for direct funding
- more control of planned expenditures, rather than reviewing how funds were spent after the fact

The Director discussed direct advertising support the VCB gives to events as part of the annual media plan:

- calendar of events ads
- event-specific ads (1996 included biking events, Peach Festival, Winefest)
- television (JUCCO, Art & Jazz Festival, Winefest, Fruita Fall Festival)

In some ways, it may make sense to extend the 3-year funding limit; however, that must be balanced against the advertising dollars the VCB spends on event marketing. The consensus of the Board is that the policy as written is fair and simple and no changes are recommended for the upcoming funding year.

VISITOR & CONVENTION BUREAU
BOARD OF DIRECTORS
MINUTES OF MEETING
SEPTEMBER 10, 1996

PRESIDING: Karen Berryman, Vice Chair

MEMBERS PRESENT: Tom Kleinschnitz, Doug Gust, Bill Mears, Ron Maupin, Fay Timmerman, Dan Sharp

MEMBERS ABSENT: Brad Higginbotham, Ken Smith, Lon Carpenter

STAFF PRESENT: Debbie Kovalik, Irene Carlow, Barbara Bowman, Erin Chapman, Judy Shormann

GUESTS: Sabrina Bebb-Jones, Linda Hill

MINUTES OF AUGUST 13, 1996: Fay Timmerman moved the minutes be approved, Ron Maupin seconded; approved unanimously.

TASHIRO MARKETING & ADVERTISING: Linda Hill reported on progress of the economic impact study/tourism impact on Grand Junction (return on investment). Linda will try to secure the services of Tucker Hart Adams to analyze economic data and prepare a report for the Board.

Terry Marle's preliminary report of leisure spending was presented; the 1995 Conversion Study was the basis of this report. Overnight visitors spend \$75.9 million and daytrippers \$3.5 million for a total annual direct travel expenditure of \$79.4 million for the leisure traveler. Based on a 49% gross conversion rate, raw media advertising translates to a return of \$25:1. The information presented is complicated and difficult to interpret. Linda will provide options for presenting this information in a format that is more user-friendly.

The Occupancy Study (through June) was also presented. Results indicate that May and June were down.

Other projects in process include:

- Video update - Grande River Films will shoot a variety of footage that can be used in future commercials.
- Direct mail - the tour planner/meeting planner questionnaire is complete; results of this mailing will be used to update and purge the sales database.

Christmas Shopping ad will be expanded and enhanced; a photo shoot was completed today of a gift basket that includes items made in Grand Junction and items that can be purchased in our attractions' gift shops. The Downtown Association and Mesa Mall have been asked to participate; this promotion will be featured on the VCB's website and an insert will be mailed with Visitor Guides from mid-October through Christmas. Newspaper ads will run in western Colorado/eastern Utah promoting special hotel rates.

BOARD BUSINESS: The VCB's marketing efforts were discussed at a September 11 meeting of the mayors of Grand Junction, Palisade and Fruita, and the VCB Board Chair and Director. At this meeting, the cities of Palisade and Fruita encouraged the VCB to expand promotion of their communities and special events.

The Board discussed county-wide sales tax collections and how those funds are re-distributed: 91% of county sales tax revenues are generated inside Grand Junction city limits. Of those tax dollars collected in Grand Junction, Palisade receives approximately \$500,000; Fruita receives approximately \$800,000. The cities compete with each other for businesses, manufacturing plants, etc.; eventually they will also compete for hotels. The VCB has been very generous in promoting area events. Can the VCB continue that promotion when hotels outside Grand Junction compete/take away business from properties inside the city limits? The Board concurred that the VCB's direction is to fill rooms and our first priority is Grand Junction, bringing revenues into the city limits.

The October agenda will include follow-up on the Expand-the-Tent program for 1996. Staff will survey the affected properties and report at the October Board meeting. Dan Sharp reminded the Board that step 2 of Expand-the-Tent is bringing in attractions. We will need the economic impact/return on investment studies in hand when presenting this expansion proposal.

Special Events: Norwest Bicycle Classic submitted their final report September 9, which was within the deadline. Karen Berryman will report on the event at the October meeting. Bill Miers reported that Dinosaur days has approximately the same level of participation as 1995; high temperatures probably kept many people from attending. This is basically an event for locals; many of the bikers were from out of town, but there were probably no spectators from out of town. The Downtown Association and Museum are taking over the event, which will be expanded to a "taste of the Grand Valley" type of event. Special Event Funds were spent appropriately.

The Special Events Policy Workshop discussion was reviewed briefly. Fay Timmerman moved that no changes be made to the Policy as written, Doug Gust seconded; approved unanimously. Staff is directed to send a letter to the Colorado Wine Industry Development Board and the Winefest organizers outlining the VCB's promotions of the event.

OTHER BUSINESS: The City of Fruita has asked the VCB to send a letter supporting Fruita's application for Mesa County lottery funds to be used for improvements/renovations at Dinosaur Hill. The City Manager and Parks & Recreation Director advised staff that the City of Grand Junction will also submit applications for Mesa County lottery funds. All applications will be competing for approximately \$80,000. Fruita's application has already been submitted to the County, so any letters will be forwarded after the application process is closed. The consensus of the Board is that the lottery fund use described is not within the mission of the VCB. The Vice Chair will contact the City of Fruita to relate the Board's decision.

DIRECTOR'S REPORT: Lodging tax revenues are down slightly for the month, but show a slight increase year-to-date.

Group Sales: Barbara Bowman stated that the number of sales leads issued is at 78% of the 1996 goal. Barbara also reported on the success of the Denver Sales Mission. The sales teams made 288 cold calls (goal was 200) and 130 people attended the reception.

Staff attended the Affordable Meetings trade show in Washington, D.C. the first week in September. We have 61 leads from the 137 contacts made at the show. The VCB and Hilton hosted our first fam for a national meeting planner; Delta Airlines provided transportation. A decision will be made in November 1996 for a 1999 meeting.

NEW BUSINESS: The Board expressed thanks to our hosts, Stephanie and Bill Schmid, for their hospitality. Stephanie is supportive of the VCB's efforts and said that she would like to continue participating in the bureau's marketing promotions, if Council approves extending that opportunity beyond 1996. Stephanie also discussed some of the regulatory challenges encountered by small businesses and how those regulations can affect day-to-day operations.

Doug Gust moved the meeting adjourn, Bill Miers seconded. Their being no further business, the meeting was adjourned at 5:10 pm.