

Meeting Date: 09/23/14

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 7A-8



Date: September 11, 2014

To: City Manager for Council Action

From: Director of Finance/Assistant City Manager

Subject: Santa Clara Convention Center and Convention-Visitor's Bureau (SCCC-CVB) Activity Report for Fiscal Year 2013-14 Fourth Quarter, Year-to-Date, and End of Fiscal Year 2013-14 as Submitted by the Santa Clara Chamber of Commerce and Convention-Visitor's Bureau

EXECUTIVE SUMMARY:

Submitted for City Council review and acceptance in a combined format is the SCCC-CVB Activity Report for FY 2013-14 Fourth Quarter, Year-to-Date, and End of Fiscal Year 2013-14 as submitted by the Santa Clara Chamber of Commerce and Convention-Visitor's Bureau. Submission of the report is required under the management agreement for the operation of the Santa Clara Convention Center and the agreement for convention and visitor services.

As mentioned in the attached report, the Fourth Quarter Financial Results (Results) of the Santa Clara Convention Center (SCCC) show year-to-date revenues at \$1,253,499 greater than budget. Revenues were favorable in the Catering, Audio-visual, Telecommunications, and Space Rental categories, but below budget in the event revenue category. The Results also show year-to-date expenses at \$420,886 greater than the budget. Of the \$420,886 variance, \$159,248 was attributable to labor related expenses and \$261,638 was attributable to operating expenses. The above revenue and expense variances combined for a year-to-date SCCC favorable budget variance of \$832,613 as of June 30, 2014. The actual year-end net profit was \$1,147,627 or \$832,613 better than the budgeted profit of \$315,014.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

The SCCC-CVB Activity Report for FY 2013-14 Fourth Quarter, Year-to-Date, and End of Fiscal Year 2013-14 provides current information on the business activities of the Santa Clara Convention Center and Convention-Visitor's Bureau.

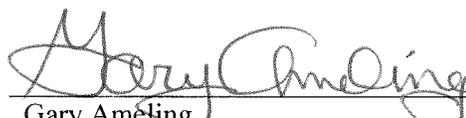
ECONOMIC/FISCAL IMPACT:

These revenues defray other City operating costs associated with the Convention Center that include a portion of the Convention/Visitor Bureau's Marketing Division and the Convention Center Area Maintenance District. Acceptance of this report will have no fiscal impact to the City other than administrative staff time and expense.

RECOMMENDATION:

That the Council accept the Santa Clara Convention Center and Convention-Visitor's Bureau Activity Report for Fiscal Year 2013-14 Fourth Quarter, Year-to-Date, and End of Fiscal Year 2013-14 as submitted by the Santa Clara Chamber of Commerce and Convention-Visitor's Bureau.

APPROVED:



Gary Ameling
Director of Finance/Assistant City Manager



Julio J. Fuentes
City Manager

Documents Related to this Report:

- 1) SCCC-CVB Activity Report for Fiscal Year 2013-14 Fourth Quarter



CHAMBER OF COMMERCE & CONVENTION – VISITORS BUREAU

July 31, 2014

The Honorable Mayor and City Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

Dear Mayor and Council:

The following is the Santa Clara Convention Center and Convention-Visitor's Bureau Activity Report for Fiscal Year 2013-14 Fourth Quarter, Year-to-Date encompassing the months of April, May and June. This also represents the end of the fiscal year 2013-14 report.

SANTA CLARA CONVENTION CENTER				
Activity Summary for the Fourth Quarter				
TYPE	13/14	12/13	ATTENDEES	EVENTS HELD
Conventions	13	20	17,300	California Water Environment Association, Golden Gate Nationals, Catholic Charismatic, Tie-Con, Technology Services Industry Association, Northern California Volleyball, Uptime Institute, Baycon, American Legion, California Information Association, PCI-SIG Devcon, Flextronics and California Assisted Living Association.
Trade Shows	7	4	7,700	Percona, California Apartment Association Expo, Conference Concepts/Ethernet Technology, Job Shops, Augmented Reality, Better Living Show and OTTCON.
Public Shows	14	13	15,400	Break the Floor, NPW Speed Warehouse, Portsmouth, Creation Dance, IRCC, Inc. Dance Masters, Antique Road Show, Dance Academy USA, Liberty Dance, California Sports Center, Jensen School of Dance, HIN Events, Art of Living and San Jose Art and Cultural
Meetings	110	94	39,935	
Banquets	14	17	6,870	
Totals	158	148	87,205	

SANTA CLARA CONVENTION CENTER			
Revenue Summary for the Fourth Quarter, Year-to-Date			
13/14	12/13	Budget	Over (Under) Budget
\$7,254,187.95	\$6,849,158.17	\$6,000,689.00	\$1,253,498.95

Year-to-date catering revenue is above budget by \$409,970.75. Audio-visual revenues are above budget by \$217,754.89. Telecommunications revenue is above budget by \$209,433.42, space rental is above budget by \$513,374.73 and event revenue is below budget by \$81,647.97.

SANTA CLARA CONVENTION CENTER			
Expenses Summary for the Fourth Quarter, Year-to-Date			
Labor Expenses			
13/14	12/13	Budget	Over (Under) Budget
\$4,595,403.77	\$4,408,338.44	\$4,436,156	\$159,247.77
Operating Expenses			
13/14	12/13	Budget	Over (Under) Budget
\$1,511,156.99	\$1,374,923.04	\$1,249,519	\$261,637.99
Total Labor and Operating Expenses			
13/14	12/13	Budget	Over (Under) Budget
\$6,106,560.76	\$5,783,261.48	\$5,685,675	\$420,885.76
Net Income (Loss)			
13/14	12/13	Budget	Over (Under) Budget
\$1,147,627.19	\$1,065,896.69	\$315,014	\$832,613.19

Fourth Quarter, Year-to-Date revenues of \$7,254,187.95 and expenses of \$6,106,560.75 have produced a **net profit of \$1,147,627.19** which is \$832,613.19 more than the budgeted profit of \$315,014.

Projects: Completed all facility window cleaning project. Kitchen supply fan and exhaust fan replaced. Air handler units have been repainted. Continue ongoing repairs to air walls in Grand Ballroom, Great America Ballroom and Great America Meeting Rooms.

Fiscal Year 2014-2015 First Quarter Projections

TYPE	NUMBER	ATTENDEES	EVENTS SCHEDULED
Conventions	10	17,350	State Bar of California, American Contract Bridge, Bay Area Christian Church, Green Sports Alliance, Ethiopian Sports, Conference Concepts/Flash Memory Summit, Bricks by the Bay, Scrapbook Expo, SENS and Flood Plain Association.
Trade Shows	1	1,000	Northern California Facility Expo
Public Shows	6	4,500	H&L Productions, Hula Halau 'O Pi' I, Home Show, Portsmouth, GT Sports Marketing and Premiere Productions
Meetings	57	29,035	
Banquets	3	1,050	
Total	77	52,935	



CONVENTION AND VISITOR'S BUREAU

Convention Sales/Marketing Department: In the Fourth Quarter, Convention Sales and Marketing staff made 244 sales calls. Fifteen site inspections of the City for future convention business were conducted for the quarter bringing the fiscal year total to 64.

	4th Qtr 13-14	4th Qtr 12-13	% Difference		4th Qtr 13-14	4th Qtr 12-13	% Difference
Leads	114	132	-13	Bookings	30	27	11%
Attendees	324,302	227,800	42%	Attendees	42,415	32,660	29%
Room Nights*	107,146	105,441	1%	Room Nights*	16,208	6,305	157%

The information presented above is for the quarter only.

The Department ended the year with 131 convention and trade show bookings, representing 256,923 attendees and 71,480 potential blocked room nights. Bookings are 6% higher than the previous year and room nights blocked are 36% higher than last fiscal year.

*Hotel room nights represent only those hotel rooms that are "blocked" and no projections are made of room nights that come in after the block is cut off by hotels or for those delegates or exhibitors who utilize hotels not included in the blocks.

Convention Services Department: In the fourth quarter the Convention Services Department provided services to 19 groups representing 26,400 delegates. This compares to 24 groups representing 29,420 delegates serviced in the fourth quarter of last year. The department ended the year with providing services to 67 groups representing 112,900 delegates compared to 67 groups and 97,950 for last fiscal year.

Visitor Marketing and Communications Department: In the Fourth Quarter, the Visitors Marketing and Communications department published a new blog titled "49 Awesome Things To Do in Santa Clara." In its first months, the blog has been read thousands of times and reported on in the S.J. Mercury News. Staff also met with Levi's Stadium reps. regarding new stadium tours and completed joint sales calls in San Francisco with a stadium sales rep.

Staff participated on City of Santa Clara Marketing Committee Evaluation Panel to review proposals from Marketing/PR firms for the City's upcoming campaign, managed a print and electronic ad campaign in the Sacramento and Fresno Bees to attract weekend leisure visitors to Santa Clara, produced a new Santa Clara Visitors Guide brochure, exhibited at Visit California San Francisco Media Reception, attended S.F. Bay Area Super Bowl 50 Host Committee Communications Committee meeting, and hosted quarterly Santa Clara Sports Group (SCSG) meeting.

Several media releases were also distributed, staff also managed numerous "Visit Santa Clara" social media channels, Santa Clara mobile site, "Visit Santa Clara" mobile apps, and three websites: santaclara.org; siliconvalleymeetings.com, and santaclarasportsgroup.org. Fiscal year-to-date, visitors to the CVB's mobile site were up 18% vs. previous year while visitors to santaclara.org were up 3%. The CVB website will be formatted for Responsive Web Design in early FY 2014-15, so identical web information will be available on mobile and tablet.



This concludes our Santa Clara Convention Center and Convention-Visitor's Bureau (SCCC-CVB) Activity Report for Fiscal Year 2013-14 Fourth Quarter and end of the fiscal year. Thank you for your continued support of our activities.

Sincerely,

Steve Van Dorn
President/CEO

A large, stylized handwritten signature in black ink, appearing to read 'Steve Van Dorn', is written over the typed name and title.