



**Date:** February 23, 2016

**To:** City Manager for Council Action

**From:** Director of Finance/Assistant City Manager

**Subject:** Note and file the Santa Clara Convention Center and Convention-Visitor's Bureau (SCCC-CVB) Activity Report for Fiscal Year 2015-16 Second Quarter, 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 Fiscal Year 2015-16 Second Quarter, 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 Second Quarter Financial Results (the "Results") of the Santa Clara Convention Center (SCCC) show year-to-date net income of \$232,710. The Results show revenues at \$3,424,180, or \$623,799 greater than budget. Revenues were favorable in the Audio-Visual, Catering, Space Rental and Telecommunications categories, but below budget in the Event Revenue and Other Income categories. The Results also show second quarter expenses at \$3,191,469, or \$46,249 less than budget. Of the \$46,249 expense variance, \$62,178 was attributable to labor related expenses being below budget and \$15,929 was attributable to operating expenses being over budget. The above revenue and expense variances combined for a second quarter SCCC positive budget variance of \$670,048 as of December 31, 2015.

### **ADVANTAGES AND DISADVANTAGES OF ISSUE**

The SCCC-CVB Activity Report for Fiscal Year 2015-16 Second Quarter provides current information on the business activities of the Santa Clara Convention Center and Convention-Visitor's Bureau.

### **ECONOMIC/FISCAL IMPACT**

Acceptance of this report will have no fiscal impact to the City other than administrative staff time and expense.

**RECOMMENDATION**

That the Council note and file the Santa Clara Convention Center and Convention-Visitor's Bureau Activity Report for Fiscal Year 2015-16 Second Quarter, as submitted by the Santa Clara Chamber of Commerce and Convention-Visitor's Bureau.



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Gary Ameling  
Director of Finance/  
Assistant City Manager

APPROVED:



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Julio J. Fuentes  
City Manager

*Documents Related to this Report:*

- 1) *SCCC-CVB Activity Report for Fiscal Year 2015-16 Second Quarter*

*I:\Budget & Treasury\Acctnt Analyst\ConventionCenter\Santa Clara Convention Center Quarterly Activity report\FY 15-16\SCCC\_CVB\_AgendaRpt\_2nd\_Qtr 15-16.doc*



**SANTA CLARA**  
SILICON VALLEY CENTRAL  
CHAMBER OF COMMERCE & CONVENTION-VISITORS BUREAU

January 31, 2016

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-Visitors Bureau Activity Report for Fiscal Year 2015-16, Second Quarter, Year-to-Date encompassing the months of October, November, and December.

<b>SANTA CLARA CONVENTION CENTER</b>				
<b>Activity Summary for the Second Quarter</b>				
<b>TYPE</b>	<b>15/16</b>	<b>14/15</b>	<b>ATTENDEES</b>	<b>EVENTS HELD</b>
Conventions	12	14	11,705	Localization World, Meckler Media, Sankara Eye Foundation {2} events, Hyatt Hotel IEEE, ISHA Foundation, Printed Electronics, Hyatt Hotel/Assemblies of God, Faith Formation, Jabil, Yahoo Tech Pulse and BZ Media.
Trade Shows	6	7	8,000	International Quilt Festival, Arm TechCon, Conference Concepts/Open Server Summit, Event California, IMS and Evolve Digital Publishing.
Public Shows	14	10	11,000	Mystique Events, Nor Cal Academy of Performing Arts, Thanh Tuyen Group, South India Fine Arts, Niosha Dance Academy, Roya Foundation, Sterling Dance Theater, American Bully Kennel Club, Arise FC, Kalalaya, Best India Properties, Santa Clara Ballet, Bay Area Christian Church and Montage Dance Productions.
Meetings	62	73	26,945	
Banquets	23	19	19,500	
<b>Totals</b>	<b>117</b>	<b>123</b>	<b>77,150</b>	

<b>SANTA CLARA CONVENTION CENTER</b>			
<b>Revenue Summary for the Second Quarter, Year-to-Date</b>			
<b>15/16</b>	<b>14/15</b>	<b>Budget</b>	<b>Over (Under) Budget</b>
\$3,424,179.95	\$2,611,813.98	\$2,800,381.28	\$623,798.67

Year-to-date catering revenue is above budget by \$110,449.56. Audio-visual revenues are above budget by \$3,458.96. Telecommunications is above budget by \$112,216.87, and Space Rental is above budget by \$418,761.02. Event Revenue is below budget by \$7,602.05 and Other Income is also below budget by \$13,485.69.

<b>SANTA CLARA CONVENTION CENTER</b>			
<b>Expenses Summary for the Second Quarter, Year-to-Date</b>			
<b>Labor Expenses</b>			
<b>15/16</b>	<b>14/15</b>	<b>Budget</b>	<b>Over (Under) Budget</b>
\$2,428,796.97	\$2,322,336.82	\$2,490,975.44	(\$62,178.47)
<b>Operating Expenses</b>			
<b>15/16</b>	<b>14/15</b>	<b>Budget</b>	<b>Over (Under) Budget</b>
\$762,672.49	\$686,963.83	\$746,743.42	\$15,929.07
<b>Total Labor and Operating Expenses</b>			
<b>15/16</b>	<b>14/15</b>	<b>Budget</b>	<b>Over (Under) Budget</b>
\$3,191,469.46	\$3,009,300.65	\$3,237,718.86	(\$46,249.40)
<b>Net Income (Loss)</b>			
<b>15/16</b>	<b>14/15</b>	<b>Budget</b>	<b>Over (Under) Budget</b>
\$232,710.49	(\$397,486.57)	(\$437,337.58)	\$670,048.07

Second Quarter, Year-to-Date revenues of \$3,424,179.95 and expenses of \$3,191,469.46 have produced a net profit of \$232,710.49 or \$670,048.07 **greater than** the budgeted loss of (\$437,337.58).

**Projects:** Completed AT&T and Verizon cell site project. Repaired leaks in the Great America wing, renovated all of the Aramark offices and repaired carpet from the main lobby to the Great America Ballrooms.



**Fiscal Year 2015-16 Third Quarter Projections**

<b>TYPE</b>	<b>NUMBER</b>	<b>ATTENDEES</b>	<b>EVENTS SCHEDULED</b>
Conventions	14	28,400	Hyatt Hotel/Hollywood Connection, Hyatt Hotel California Kindergarten Association, XRX Stitches, Spirt of the Flame, Hyatt Hotel/Proof Point, California Association of Behavior Analysis, Hyatt Hotel/Nuvo Dance, SAP, Hyatt Hotel/Usenix, Northern California Narcotics Anonymous, California Association for Health, PE, Recreation and Dance, Open Networking Summit, New York City Dance Alliance and Synopsys.
Trade Shows	5	14,300	DesignCon, PennWell Corporation, Container World, National Nameless Luminaries West and SHOR Media.
Public Shows	9	17,300	Home Show, Hoi Viet Thien, Xtreme Spirit, Muscle Sport Productions, VietET, FPA Events, Travel Show, Palmer College and Bay Area Chess.
Meetings	25	24,940	
Banquets	3	5,600	
<b>Total</b>	<b>56</b>	<b>90,540</b>	

**Occupancy Ratio****2<sup>nd</sup> Quarter 2014/2015****2<sup>nd</sup> Quarter 2015/2016****Exhibit Halls 57.1%****Exhibit Halls 60.3%****Other Locations 52.8%****Other Locations 47.8%****Average Spending per Event****2<sup>nd</sup> Quarter 2014/2015****2<sup>nd</sup> Quarter 2015/2016****Events 225****Events 221****Revenue \$2,611,813.98****Revenue \$3,424,179.95****Spending per Event \$11,608.06****Spending per Event \$15,494.03**



## Visitor Marketing & Communications – 2nd Quarter

In the 2nd quarter, the Visitor Marketing & Communications department was a significant influencer in generating travel in and around Santa Clara.

As such, in the 2nd quarter, the department:

- Grew *Visit Santa Clara* social media following by 2.5%. Total opt-in social media following is now nearly 35,000. **For the quarter, the economic impact of the 2.5% social media growth was \$86,000.**
- Increased views of Visit Santa Clara blog “50 Awesome Things to Do in Santa Clara” by 30% (6,874 new views). Blog is now over 23,000 + views. **Blog’s economic impact has resulted in \$20,000 + local and national media exposure.**
- Grew views of *santaclara.org* website by 11% vs. previous year. **An additional 179,923 user sessions for the quarter has an economic impact of \$179,923.**
- Increased views of Santa Clara destination video “The Game” by 35% (550 new views). **Total views now over 1,650. For the quarter, this has an impact of \$28,020.**

The department also focused on upcoming Super Bowl 50:

- Provided Santa Clara video footage to KTSF 26 San Francisco and did on-camera interview. KTSF has the largest Asian audience in the U.S.
- Produced “Frequently Asked Questions” (FAQ) page for website.
- Began work on 32 page *Discover Magazine* Super Bowl insert for visitors and submitted restaurant, hotel, visitor attraction, and transportation listings.
- Developed and submitted ad to Super Bowl Host Committee *Commemorative Magazine*.
- Continued participation in weekly City of Santa Clara Super Community Celebration conference calls, taking a leadership role in planning the Pep Rally component of Super Celebration.
- Continued participation on additional City of Santa Clara event Super Concert & Fireworks, assisting with social media and media outreach.
- Attended Super Bowl Host Committee’s Social Media summit at Levi’s Stadium.

Additional work accomplished in the 2<sup>nd</sup> quarter:

- Produced bi-monthly CVB eNews eBlasts that were sent to stakeholders.
- Generated positive media coverage in *California Meetings* magazine, the *Fresno Bee*, and *Travel Guide to California*.
- Coordinated virtual tour video shoot of the Santa Clara Convention Center. Virtual tour will replace outdated one on website.
- Produced Christmas/New Year’s video as holiday greeting to send to stakeholders, clients, and database.



Additional work accomplished in the 2<sup>nd</sup> quarter (cont.):

- Attended eTourism Summit receiving updates on the latest trends in email marketing, search, social media, and mobile. Coordinated and hosted Pacific Rim receptive tour operator presentation and reception in Los Angeles. Twenty-three receptive operators were present to learn more about the Santa Clara destination and to network with Santa Clara reps from the Intel Museum, California's Great America, Embassy Suites Santa Clara, and Levi's Stadium.
- Responded to hundreds of visitor requests for information via telephone, email, and mail.

