

Meeting Date: 5-12-15

AGENDA REPORT

Agenda Item # CoA2

City of Santa Clara, California



Date: May 1, 2015

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 2014-15 Third 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 2014-15 Third 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 Third Quarter Financial Results (Results) of the Santa Clara Convention Center (SCCC) show year-to-date net income of \$111,161. The Results show revenues at \$4,635,999, or \$238,542 less than budget. Revenues were favorable in the Telecommunications, and Space Rental categories, but below budget in the Catering, Audio-Visual and Event Revenue categories. The Results also show year-to-date expenses at \$4,524,838, or \$211,751 less than the budget. Of the \$211,751 expense variance, \$262,692 was attributable to labor related expenses being below budget and \$50,941 was attributable to operating expenses being above budget. The above revenue and expense variances combined for a year-to-date SCCC negative budget variance of \$26,791 as of March 31, 2015.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

The SCCC-CVB Activity Report for Fiscal Year 2014-15 Third Quarter provides current information on the business activities of the Santa Clara Convention Center and Convention-Visitor's Bureau.

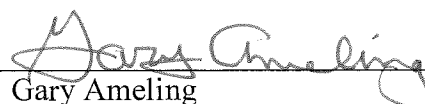
ECONOMIC/FISCAL IMPACT:

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


RECOMMENDATION:

That the Council accept the Santa Clara Convention Center and Convention-Visitor's Bureau Activity Report for Fiscal Year 2014-15 Third Quarter 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 2014-15 Third Quarter



CHAMBER OF COMMERCE & CONVENTION – VISITORS BUREAU

April 30, 2015

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 2014-15, Third Quarter, year-to-date encompassing the months of January, February and March.

SANTA CLARA CONVENTION CENTER				
Activity Summary for the Third Quarter				
TYPE	14/15	13/14	ATTENDEES	EVENTS HELD
Conventions	20	13	26,750	Hollywood Connect, California Kindergarten Assn., Northern CA Volleyball (2 events) LA Dance, National Nameless Luminaries, Proof Point, EquipoVision, XRX Stitches, O'Scale, California Assn. of DECA. ONF/Open Networking, U.S. Department of Commerce, Synopsys, Usenix, IEEE EMC Symposium, Monsters of Hip Hop, Arrow Electronics, Spirit of the Flame and Freescale Semiconductor
Trade Shows	2	8	7,700	DesignCon and RTC Group,
Public Shows	12	12	17,000	Wedding Fair, World Fitness, VietET, Federation of Indo-American Assn., NUVO, Travel Show, Premiere Productions, Santa Clara Quilt Assn., Center of Persian Language Preservation, GT Sports and Marketing, Friends of Children and San Jose Art & Cultural Society
Meetings	69	66	34,650	
Banquets	9	10	5,750	
Totals	112	109	91,850	

SANTA CLARA CONVENTION CENTER			
Revenue Summary for the Third Quarter, Year-to-Date			
14/15	13/14	Budget	Over (Under) Budget
\$4,635,999.20	\$5,099,499.07	\$4,874,541.11	(\$238,541.91)

Year-to-date catering revenue is below budget by \$529,290.76. Audio-visual revenues are below budget by \$17,167.74. Telecommunications is above budget by \$21,988.54, and Space Rental is above budget by \$350,981.58. Event Revenue is below budget by \$25,181.89.

SANTA CLARA CONVENTION CENTER			
Expenses Summary for the Third Quarter, Year-to-Date			
Labor Expenses			
14/15	13/14	Budget	Over (Under) Budget
\$3,485,713.04	\$3,451,862.81	\$3,748,405.47	(\$262,692.43)
Operating Expenses			
14/15	13/14	Budget	Over (Under) Budget
\$1,039,125.41	\$1,117,062.98	\$988,183.92	\$50,941.49
Total Labor and Operating Expenses			
14/15	13/14	Budget	Over (Under) Budget
\$4,524,838.45	\$4,568,925.79	\$4,736,589.39	(\$211,750.94)
Net Income (Loss)			
14/15	13/14	Budget	Over (Under) Budget
\$111,160.75	\$530,573.28	\$137,951.72	(\$26,790.97)

Third Quarter, Year-to-Date revenues of \$4,635,999.20 and expenses of \$4,524,838.45 have produced a net profit of \$111,160.75 or \$26,790.97 less than the budgeted profit of \$137,951.72.

Projects: Completed carpet project in the Grand Ballrooms. All Center elevators were inspected. Spot Focus video infrastructure was installed throughout the building. Completed air wall repair project in Grand Ballrooms.

Fiscal Year 2014-15 Fourth Quarter Projections

TYPE	NUMBER	ATTENDEES	EVENTS SCHEDULED
Conventions	16	23,000	Society of Vacuum Coaters, Future Business Leaders, ChefCon, Professional Association for SQL Server, Trinity Motivation, Tie-Con, Technology Services Industry Assn., Uptime Institute, Catholic Charismatic, Cloud Foundry Foundation, California Assisted Living Assn., PCI-SIG Devcon, Open Networking, Executive Council of Homeowners, Jehovah's Witnesses and Flextronics
Trade Shows	10	8,800	Percona, Conference Concepts, Job Shops, Augmented Reality, Pitco Foods, LeMans Super Showcase, Bluetooth World, Nu Skin, Craft Beverage Expo and Promarcom, Inc.
Public Shows	18	15,300	Break the Floor, Miss Vietnam USA, South India Fine Arts (4 events), Portsmouth, Akbayan Pilipino American Organization, Multiple Financial Advising Services, Achieve Dance Arts Academy, H&E Entertainment, HIN Events, Mission College, Dance Academy USA Dance Masters, Liberty Dance, Veksler Academy and World Fitness
Meetings	64	30,080	
Banquets	7	3,020	
Total	115	80,200	



CONVENTION AND VISITOR'S BUREAU

Convention Sales/Marketing Department: In the Third Quarter, convention sales and marketing staff exhibited and/or attended: Diversity Marketplace, NCCMPI Tradeshow in San Francisco, MSI SSN Table Top Tradeshow in Sacramento, and made approximately 321 sales calls. The CVB conducted 21 site inspections of the City for future convention business.

	3rd Qtr 14-15	3rd Qtr 13-14	% Difference		3rd Qtr 14-15	3rd Qtr 13-14	% Difference
Leads	109	108	1%	Bookings	41	31	32%
Attendees	138,717	88,340	57%	Attendees	70,060	38,940	80%
Room Nights*	55,544	60,770	-9%	Room Nights*	20,421	17,450	17%

(The information presented above is for the quarter only)

*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: The Convention Services Department contacted and serviced 42 groups representing 57,600 delegates compared to 20 groups representing 37,025 delegates for the third quarter of last year.

Visitor Marketing and Communications Department:


For the quarter, the department worked with the NHL to support the Stadium Series Outdoor hockey game and also with WWE to support WrestleMania 31. In addition, the department attended numerous City of Santa Clara Super Bowl 50 event planning meetings and also participated in several Super Bowl Host Committee meetings.

The department worked with UTrip.com to develop and implement an online itinerary builder that will support out of town visitors to Santa Clara during the Super Bowl and year-round. Staff was also interviewed for and contributed to the Super Bowl Host Committee's "50 Perfect Hours in Santa Clara" which is featured on the Host Committee website. Additionally, managed a quarterly Santa Clara Sports Group (SCSG) meeting, met with Levi's Stadium reps. regarding stadium tours, and began planning for Pacific Rim operator presentation and National Tourism Week Luncheon events.

Department managed website(s) and social media channels, wrote advertorial copy for convention trade publications including Association News and Destination California, produced bi-monthly Chamber newsletter and also new monthly CVB e News.

This concludes our Santa Clara Convention Center and Convention-Visitor's Bureau (SCCC-CVB) Activity Report for Fiscal Year 2014-15, Third Quarter, year-to-date. Thank you for your continued support of our activities.

Sincerely,


Roy Truitt
Interim President

