

Meeting Date: 5/20/14

# AGENDA REPORT

Agenda Item # 7A-3 ✓

City of Santa Clara, California



**Date:** May 6, 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 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 2013-14 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 revenues at \$979,227 greater than budget. Revenues were favorable in the audio-visual, telecommunications, and space rental categories, but below budget in the event revenue category. The Results also show year-to-date expenses at \$313,803 more than the budget. Of the \$313,803 variance, \$124,933 was attributable to labor related expenses and \$188,870 was attributable to operating expenses. The above revenue and expense variances combined for a year-to-date SCCC favorable budget variance of \$665,424 as of March 31, 2014.

### ADVANTAGES AND DISADVANTAGES OF ISSUE:

The SCCC-CVB Activity Report for Fiscal Year 2013-14 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 2013-14 Third Quarter as submitted by the Santa Clara Chamber of Commerce and Convention-Visitor's Bureau.

APPROVED:

  
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Gary Ameling  
Director of Finance/Assistant City Manager

  
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Julio J. Fuentes  
City Manager

### Documents Related to this Report:

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

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**CHAMBER OF COMMERCE & CONVENTION – VISITORS BUREAU**

April 30, 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, Third Quarter, year-to-date encompassing the months of January, February and March.

<b>SANTA CLARA CONVENTION CENTER</b>				
<b>Activity Summary for the Third Quarter</b>				
<b>TYPE</b>	<b>13/14</b>	<b>12/13</b>	<b>ATTENDEES</b>	<b>EVENTS HELD</b>
Conventions	13	14	20,200	Hollywood Connect, Ruckus, eBay, XRX/Stitches, Spirit of the Flame, O'Scale, PTC, Usenix, Northern California Volleyball, Northern California Train Collectors, Sysopsys, IDC Directions and Open Networking Summit
Trade Shows	8	5	12,800	DesignCon, RTC Group, Pennwell Corporation, O'Reilly-Strata, National Nameless Luminaries, Avaya, GT Sports Marketing and Pitco Food
Public Shows	12	10	10,200	Home Show, Wedding Fair, Dance Magic, Travel and Adventure Show, VietET, Korean Culture Center, NUVO, Monsters of Hip Hop, Dance Masters of California, Miss Vietnam USA, Center of Persian Language Preservation and U-Jam Fitness
Meetings	66	80	23,475	
Banquets	10	8	3,575	
<b>Totals</b>	<b>109</b>	<b>117</b>	<b>70,250</b>	

<b>SANTA CLARA CONVENTION CENTER</b>			
<b>Revenue Summary for the Third Quarter, Year-to-Date</b>			
<b>13/14</b>	<b>12/13</b>	<b>Budget</b>	<b>Over (Under) Budget</b>
\$5,099,499.07	\$4,704,128.53	\$4,120,271.95	\$979,227.12

Year-to-date catering revenue is above budget by \$300,595.49. Audio-visual revenues are above budget by \$109,347.34. Telecommunications is above budget by \$169,342.25, and Space Rental is above budget by \$434,048.23. Event Revenue is below budget by \$22,750.43.

<b>SANTA CLARA CONVENTION CENTER</b>			
<b>Expenses Summary for the Third Quarter, Year-to-Date</b>			
<b>Labor Expenses</b>			
<b>13/14</b>	<b>12/13</b>	<b>Budget</b>	<b>Over (Under) Budget</b>
\$3,451,862.81	\$3,261,795.05	\$3,326,930.01	\$124,932.80
<b>Operating Expenses</b>			
<b>13/14</b>	<b>12/13</b>	<b>Budget</b>	<b>Over (Under) Budget</b>
\$1,117,062.98	\$1,000,074.13	\$928,192.71	\$188,870.27
<b>Total Labor and Operating Expenses</b>			
<b>13/14</b>	<b>12/13</b>	<b>Budget</b>	<b>Over (Under) Budget</b>
\$4,568,925.79	\$4,261,869.18	\$4,255,122.72	\$313,803.07
<b>Net Income (Loss)</b>			
<b>13/14</b>	<b>12/13</b>	<b>Budget</b>	<b>Over (Under) Budget</b>
\$530,573.28	\$442,259.35	(\$134,850.77)	\$665,424.05

Third Quarter, Year-to-Date revenues of \$5,099,499.07 and expenses of \$4,568,925.79 have produced a **net profit of \$530,573.28** or \$665,424.05 more than the budgeted loss of \$134,850.77.

**Projects:** Replaced roll up door in warehouse leading to dock 3. Replaced hot water heater in concession stand B. Painted the stair rails and the tops of the restrooms in the main lobby and created a new office for Aramark in their linen closet including cabling, painting and assembling furniture.

#### **Fiscal Year 2013-14 Fourth Quarter Projections**

<b>TYPE</b>	<b>NUMBER</b>	<b>ATTENDEES</b>	<b>EVENTS SCHEDULED</b>
Conventions	13	16,850	California Water Environment Association, Golden Gate Nationals, Catholic Charismatic, Tie-Con, Technology Services Industry Association, Northern California Volleyball/Qualifier, Uptime Institute, American Legion, California Health Information Association, CALA, PCI-SIG Devcon, Radio Ink and Flextronics
Trade Shows	7	7,700	Percona, California Apartment Association, Conference Concepts, Job Shops, Augmented Reality, Better Living Show and OTTCON.
Public Shows	12	13,900	Break the Floor, NPW-Speed Warehouse, Portsmouth, Creation Dance, IRCC, Dance Master (2 events), Antique Road Show, Dance Academy USA, Liberty Dance, California Sports Center and HIN Events
Meetings	91	35,547	
Banquets	12	6,500	
<b>Total</b>	<b>135</b>	<b>80,497</b>	



## CONVENTION AND VISITOR'S BUREAU

**Convention Sales/Marketing Department:** In the Third Quarter, convention sales and marketing staff exhibited and/or attended: Presentation made to George P. Johnson organization, NCCMPI Tradeshow in San Francisco, MSI SSN Table Top Tradeshow in Sacramento, and made approximately 72 sales calls. The CVB conducted 13 site inspections of the City for future convention business.

	3rd Qtr 13-14	3rd Qtr 12-13	% Difference		3rd Qtr 13-14	3rd Qtr 12-13	% Difference
<b>Leads</b>	108	96	12%	<b>Bookings</b>	31	37	-16%
<b>Attendees</b>	88,340	85,215	3%	<b>Attendees</b>	38,940	38,425	1%
<b>Room Nights*</b>	60,770	63,841	-4%	<b>Room Nights*</b>	17,450	18,365	-4%

(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 20 groups representing 37,025 delegates compared to 108 groups representing 21,100 delegates for the third quarter of last year.

**Visitor Marketing and Communications Department:** The Visitor Marketing and Communications department in the 3rd Quarter participated in the NAJ Summit West tradeshow, attended WACVB Tech Tourism Summit, and met with SF Super Bowl Host Committee representatives. The dept. also coordinated the Santa Clara Sports Group (SCSG) quarterly meeting and met with mobile partner MobiManage. The dept. also developed and submitted a Leisure and Internet marketing budget to the Tourism Improvement District.

In addition, the dept. worked with Santa Clara hotels to update the [www.santaclara.org](http://www.santaclara.org) website's Hotel Packages page to highlight theme park/hotel weekend packages. Fiscal YTD the dept. has fulfilled 2,224 visitor requests for information. For the quarter, there were a total of 137,891 unique visitors to [www.santaclara.org](http://www.santaclara.org), a 17% increase vs. previous year. The website also booked 70 Santa Clara hotel room nights.

The dept. also managed *Visit Santa Clara* social media pages, updated and produced the Santa Clara Visitors Guide brochure, monthly Chamber/CVB print and electronic newsletter, and developed a PPT presentation for the City of Santa Clara Marketing Committee meeting.

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

Sincerely,

  
Steve Van Dorn  
President and CEO

