

Meeting Date: 11/18/14

AGENDA REPORT

Agenda Item # 7A-6

City of Santa Clara, California



Date: November 13, 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 2014-15 First 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 First 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 First Quarter Financial Results (Results) of the Santa Clara Convention Center (SCCC) show first quarter revenues at \$36,441 greater than budget. Revenues were favorable in the telecommunications, audio-visual, and Space Rental categories, but below budget in the catering and event revenue categories. The Results also show first quarter expenses at \$44,176 less than the budgeted. Of the \$44,176 variance, labor expenses were \$80,476 less than budgeted and operating expenses were \$36,300 greater than budgeted. The above revenue and expense variances combined for a first quarter SCCC favorable budget variance of \$80,617 as of September 30, 2014.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

The SCCC-CVB Activity Report for Fiscal Year 2014-15 First 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 First 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 First Quarter***



CHAMBER OF COMMERCE & CONVENTION – VISITORS BUREAU

October 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 2014-15 First Quarter, encompassing the months of July, August and September.

SANTA CLARA CONVENTION CENTER				
Activity Summary for the First Quarter				
TYPE	14/15	13/14	ATTENDEES	EVENTS HELD
Conventions	10	16	20,350	State Bar of California, Green Sports Alliance, Ethiopia, American Contract Bridge, Bay Area Christian Church, Conference Concepts Flash Memory Summit, Bricks by the Bay, Scrapbook Expo, SENS and Flood Plan Assn.
Trade Shows	1	1	1,000	Northern California Facilities Expo
Public Shows	7	7	5,000	H&L Productions, Bytes and Notes, Home Show, Portsmouth, Hula Halau, GT Sports Marketing and Premiere Productions
Meetings	79	76	32,316	
Banquets	5	5	1,474	
Totals	102	105	60,140	

SANTA CLARA CONVENTION CENTER			
Revenue Summary for the First Quarter			
14/15	13/14	Budget	Over (Under) Budget
\$890,690.44	\$880,774.32	854,249.17	\$36,441.27

Year-to-date catering revenue is below budget by \$42,431.86, telecommunications is above budget by \$21,074.78, audio-visual revenue is above budget by \$4,739.30 and Space Rental is above budget by \$56,626.14. Event revenue is below budget by \$10,210.70.

SANTA CLARA CONVENTION CENTER			
Expenses Summary for the First Quarter			
Labor Expenses			
14/15	13/14	Budget	Over (Under) Budget
\$1,146,853.61	\$1,143,073.17	\$1,227,330.23	(\$80,476.62)
Operating Expenses			
14/15	13/14	Budget	Over (Under) Budget
\$377,753.51	\$411,098.13	\$341,453.08	\$36,300.43
Total Labor and Operating Expenses			
14/15	13/14	Budget	Over (Under) Budget
\$1,524,607.12	\$1,554,171.30	\$1,568,783.31	(\$44,176.19)
Net Income (Loss)			
14/15	13/14	Budget	Over (Under) Budget
(\$633,916.98)	(\$673,396.98)	(\$714,534.14)	\$80,617.46

First Quarter, Year-to-Date revenues of \$890,690.44 and expenses of \$1,524,607.12 have produced a net loss of \$633,916.68 or \$80,617.46 less than the budgeted loss of (\$714,534.14).

Projects: Installed new vinyl floor on theater stage, resurfaced kitchen floor and installed new equipment and completed quarterly sprinkler test.

Fiscal Year 2014-15 Second Quarter Projections

TYPE	NUMBER	ATTENDEES	EVENTS SCHEDULED
Conventions	13	22,800	CATESOL, Zend Technologies, Peninsula Pop Warner, Sankara Eye Foundation (2 events), IPS Learning, Printed Electronics, Faith Formation, Pop Warner, Self Help, Linux Foundation, Media Bistro and Yahoo Tech Pulse
Trade Shows	5	6,350	Pacific International Quilt Festival, Arm Techcon, Futton Inc., SC Realtors and Conference Concepts Open Server Summit
Public Shows	10	8,800	Mystic Events, South India Fine Arts, San Jose Art & Cultural Society, Target Job Fairs, Sterling Dance, Shor Media, North Valley Baptist Church, Miss AoDai Vietnam, Bay Area Christian Church and Multiple Financial Advising Services
Meetings	55	21,790	
Banquets	15	15,450	
Total	98	75,190	



CONVENTION AND VISITORS BUREAU

Convention Sales/Marketing Department: In the first quarter, the Convention Sales and Marketing staff made approximately 170 sales calls and conducted 17 site inspections of the City for meeting planners considering Santa Clara as a future site for their convention/meeting.

	1st Qtr 14/15	1st Qtr 13/14	% Difference		1st Qtr 14/15	1st Qtr 13/14	% Difference
Leads	93	117	-21%	Bookings	39	42	-7%
Attendees	64,644	174,493	-37%	Attendees	37,060	39,118	-5%
Room Nights*	49,776	86,674	-43%	Room Nights*	18,931	18,030	5%

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 serviced 22 groups with 48,900 delegates for the quarter.

Marketing and Communications Department:

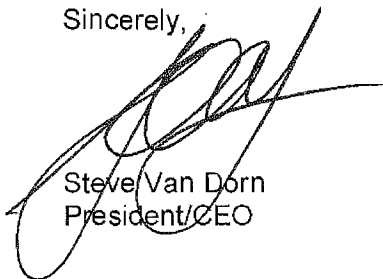
V.P. of Marketing & Communications joined Levi's Stadium rep calling on San Francisco based Pacific Rim receptive tour operators regarding stadium tours, hosted a travel writer press trip, researched potential offsite parking locations for Convention Center delegates, attended the Great America Pavilion preview event, represented Santa Clara at WrestleMania 31/WWE Reception, and met with Visit California rep.

In addition, this department continued to publicize its "49 Awesome Things to Do in Santa Clara" blog, submitted copy to Smart Meetings Magazine for special Silicon Valley report, participated in City of Santa Clara Marketing Committee meetings, continued planning of pre-Super Bowl 50 events in conjunction with the City, and managed the Tourism Improvement District's Sacramento and Fresno Bee print and electronic ad campaign.

For the quarter, the SantaClara.org website garnered nearly 90,000 unique visitors. In addition, year-to-date, the CVB's "Visit Santa Clara" social media channels followers are up 34%.

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

Sincerely,



Steve Van Dorn
President/CEO

