

**Santa Clara Tourism Improvement District  
Advisory Board Special Meeting – AGENDA**

April 16, 2021, 8:00 a.m.

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**\*COVID-19 NOTICE\***

*Consistent with the California Governor's Executive Order No. N-29-20 and the Santa Clara County Health Officer's March 16, 2020 Shelter in Place Order, the Santa Clara Tourism Improvement District (TID) Advisory Board Regular Meeting will not be physically open to the public and the TID Advisory Board members will be teleconferencing from remote locations.*

*The public can participate remotely via Zoom: <https://santaclaraca.zoom.us/j/95657050011>. Meeting ID: 956 5705 0011 or by phone: 1 (669) 900-6833.*

**Call to Order**

**Roll Call**

**Public Comments**

Public comment for items not on the Agenda.

**Consent Calendar**

*Matters listed in the Consent Calendar section will be considered routine by the Advisory Board and will be enacted by one motion. If discussion is requested, that item will be removed from the section entitled Consent Calendar and will be considered separately.*

**Consent Items Pulled for Discussion**

**General Business – Items for Discussion**

1. Budget Presentation: Discussion and Action on the Silicon Valley/Santa Clara DMO, Inc. Proposed FY 2021/22 Operating Budget.
2. Presentation: Discussion and Action on the Silicon Valley/Santa Clara DMO, Inc. Key Performance Indicators.

**General Updates**

- City of Santa Clara - Brown Act and Robert's Rules of Order Presentation at May 20, 2021 meeting.

**Adjournment**

The next regular scheduled meeting is on May 20, 2021 at 8:00 a.m.

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*\*Please see COVID-19 NOTICE\**

**Brown Act:**

*Government Code 54950 et seq (the Brown Act) requires that a brief description of each item to be transacted or*

*discussed be posted at least 72 hours prior to a regular meeting. Action may not be taken on items not posted on the agenda. Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Peter Hart, GM at [peter.hart@hilton.com](mailto:peter.hart@hilton.com) prior to the meeting.*

*Notice to Public:*

*You are welcomed and encouraged to participate in this meeting. Public comment is taken (3 minutes maximum per person) on items listed on the agenda will be heard at the meeting as noted on the agenda. Public comment on items not listed on the agenda will be heard at the meeting as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select one or two speakers to represent the opinion of the group. The order of agenda items is listed for reference and may be taken in any order deemed appropriate by the Board of Directors. The agenda provides a general description and staff recommendation; however, the Board of Directors may take action other than what is recommended.*

*In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the Santa Clara Tourism Improvement District (TID) will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The Santa Clara TID will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the Santa Clara TID's programs, services, and activities. The Santa Clara TID will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.*

*Agendas and other written materials distributed during a public meeting that are public record will be made available by the Santa Clara Tourism Improvement District in an appropriate alternative format. Contact Nancy Thome at 1-408-615-2294 with your request for an alternative format copy of the agenda or other written materials.*

*Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the Santa Clara TID, should contact the Peter Hart, GM at [peter.hart@hilton.com](mailto:peter.hart@hilton.com) prior as soon as possible before the scheduled event.*

## ATTACHMENTS

	Budget
<b>Income</b>	
40000 Allocated Funding	\$1,300,000.00
43000 Grants	\$0.00
<b>Total 40000 Allocated Funding</b>	<b>\$1,300,000.00</b>
<b>50000 Operating Expenses</b>	
<b>51000 Personnel Expenses</b>	
51100 Salaries (all FTE team members)	
51110 CEO	\$215,000.00
51120 DOS	\$97,500.00
51122 SM	\$115,000.00
51124 SM	\$115,000.00
51130 Admin	\$70,000.00
<b>Total 51110 Salaries (all FTE team members)</b>	<b>\$612,500.00</b>
51200 Payroll Taxes	
51210 CEO	\$15,964.00
51220 DOS	\$6,320.00
51222 SM	\$9,126.00
51224 SM	\$9,126.00
51230 Admin	\$5,642.00
<b>Total 511200 Payroll Taxes</b>	<b>\$46,178.00</b>
51300 Employee Benefits	\$51,896.00
51600 Incentive/Bonus (employee incentive)	\$74,136.00
<b>Total 51000 Personnel Expenses</b>	<b>\$784,710.00</b>
<b>54000 Administrative Expenses</b>	
<b>54400 Professional Services</b>	
54410 Accounting Services (Fugate)	\$15,000.00
54420 Legal Services (Thoit)	\$39,583.00
54430 Payroll Processing Fees ADP	\$2,300.00
54440 Audit	\$10,000.00
54450 IT/Network (Smart City)	
54452 IT Support	\$5,376.00
54454 Microsoft Office 365	\$600.00
54456 Computers-Hardware	\$13,000.00
<b>Total 54450 IT/Network (Smart City)</b>	<b>\$18,976.00</b>
54458 Video Conferencing (Zoom)	\$2,000.00
54460 CRM Annual Contract (Simpleview)	
54466 Subscription Fee	\$6,000.00
54468 CVENT & EIC add-ons	\$2,200.00
<b>Total 54460 CRM Annual Contract (Simpleview)</b>	<b>\$8,200.00</b>
54462 CVENT Package	\$31,000.00
54470 JLL (Consultant)	\$60,000.00
54490 Admin Fee (City of Santa Clara)	\$12,219.00
<b>Total 54400 Professional Services</b>	<b>\$199,278.00</b>
<b>54600 Office Supplies</b>	
54610 Annual Software Licenses	
54612 Adobe Acrobat & PDF Filer	\$540.00

<b>54614 CopyTrans</b>	\$100.00
<b>Total 54610 Annual Software Licenses</b>	<b>\$640.00</b>
<b>54620 Postage</b>	\$300.00
<b>54660 Miscellaneous</b>	\$5,000.00
<b>Total 54600 Office Supplies</b>	<b>\$5,940.00</b>
<b>54700 Insurance (Vantreo - Broker)</b>	
<b>Workers Comp</b>	\$3,078.00
<b>Business Owners Liability &amp; Property/ Umbrella</b>	\$1,597.00
<b>Professional/Cyber Liability</b>	\$1,839.00
<b>Mngmt. Liability (Dir. &amp; Off. /Emp.Prct. Liab.)</b>	\$2,096.00
<b>Total 54700 Insurance (Vantreo - Broker)</b>	<b>\$8,610.00</b>
<b>Total 54000 Administrative Expenses</b>	<b>\$213,828.00</b>
<b>55000 Industry Relations Expense</b>	
<b>55100 Destinations International</b>	
<b>55110 Membership Dues</b>	\$1,047.00
<b>Economic Impact Calculator</b>	\$7,725.00
<b>Total 55100 Destinations International</b>	<b>\$8,772.00</b>
<b>55400 Subscriptions (Trade Journals/Newspapers)</b>	\$600.00
<b>Total 55000 Industry Relations Expense</b>	<b>\$9,372.00</b>
<b>56000 Sales and Services Expense</b>	
<b>56150 Incentives (Subsidies)</b>	\$50,000.00
<b>56300 Trade Shows</b>	\$20,000.00
<b>56600 Professional Affiliations</b>	
<b>56620 PCMA</b>	\$2,000.00
<b>56630 MPI</b>	\$2,180.00
<b>56670 CALSAE</b>	\$1,895.00
<b>56680 CEMA</b>	\$500.00
<b>Total 56600 Professional Affiliations</b>	<b>\$6,575.00</b>
<b>56800 Site Visits/Customer Events/Fams</b>	
<b>56810 Customer Events/Fams</b>	\$40,000.00
<b>56820 Site Visits</b>	\$5,000.00
<b>Total 56800 Site Visits/Customer Events/Fams</b>	<b>\$45,000.00</b>
<b>56950 Travel &amp; Entertainment</b>	\$30,000.00
<b>Total 56000 Sales and Services Expense</b>	<b>\$151,575.00</b>
<b>57000 Marketing Expenses</b>	
<b>57100 Contract Services</b>	
<b>57110 Marketing Firm</b>	\$122,187.00
<b>57120 Web Development</b>	\$0.00
<b>57130 Website Monthly Maintenance</b>	\$0.00
<b>Total 57100 Contract Services</b>	\$0.00
<b>Total 5700 Marketing &amp; Communications</b>	<b>\$122,187.00</b>
<b>58000 Contingency</b>	\$18,328.00
<b>Total 50000 Operating Expenses</b>	<b>\$1,300,000.00</b>
<b>REVENUE (Fund SURPLUS/DEFICIT)</b>	\$0.00
<b>Net Revenue</b>	\$0.00

	Budget
<b>Income</b>	
40000 Allocated Funding	\$1,300,000.00
42000 Grants	\$0.00
<b>Total 40000 Allocated Funding</b>	<b>\$1,300,000.00</b>
<b>50000 Operating Expenses</b>	
51000 Personnel Expenses	
51100 Salaries (all FTE team members)	\$612,500.00
51200 Payroll Taxes	\$46,178.00
51300 Employee Benefits	\$51,896.00
51600 Incentive/Bonus (employee incentive)	\$74,136.00
<b>Total 51000 Personnel Expenses</b>	<b>\$784,710.00</b>
54000 Administrative Expenses	
Total 54400 Professional Services	\$199,278.00
Total 54600 Office Supplies	\$5,940.00
Total 54700 Insurance (Vantreo - Broker)	\$8,610.00
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Total 56600 Professional Affiliations	\$6,575.00
Total 56800 Site Visits/Customer Events/Fams	\$45,000.00
56950 Travel & Entertainment	\$30,000.00
<b>Total 56000 Sales and Services Expense</b>	<b>\$151,575.00</b>
57000 Marketing Expenses	
Total 57100 Contract Services	
<b>Total 57000 Marketing Expenses</b>	<b>\$122,187.00</b>
58000 Contingency	\$18,328.00
<b>Total 50000 Operating Expenses</b>	<b>\$1,300,000.00</b>
<b>REVENUE (Fund SURPLUS/DEFICIT)</b>	

Net Revenue

**TID Assessment 1.5%  
Years 1 - 5 at \$1,300,000 (Proposed)**

**Year 1 - FY 2021/22**

FY 2020/21 estimated fund balance	\$	1,400,000
FY 2021/22 Projected revenue	\$	610,936
FY 2021/22 available funds	\$	2,010,936
<b>FY 2021/22 budget</b>	<b>\$</b>	<b>1,300,000</b>
FY 2021/22 fund balance	\$	710,936

**Year 2 - FY 2022/23**

FY 2021/22 fund balance	\$	710,936
FY 2022/23 Projected revenue	\$	880,970
FY 2022/23 available funds	\$	1,591,906
FY 2022/23 budget	\$	1,339,000
FY 2022/23 fund balance	\$	252,906

**Year 3 - FY 2023/24**

FY 2022/23 fund balance	\$	252,906
FY 2023/24 Projected revenue	\$	907,399
FY 2023/24 available funds	\$	1,160,305
FY 2023/24 budget	\$	1,379,170
FY 2023/24 fund balance	\$	(218,865)

**Year 4 - FY 2024/25**

FY 2023/24 fund balance	\$	(218,865)
FY 2024/25 Projected revenue	\$	934,621
FY 2024/25 available funds	\$	715,756
FY 2024/25 budget	\$	1,420,545
FY 2024/25 fund balance	\$	(704,789)

**Year 5 - FY 2025/26**

FY 2024/25 fund balance	\$	(704,789)
FY 2025/26 Projected revenue	\$	962,659
FY 2025/26 available funds	\$	257,870
FY 2025/26 budget	\$	1,463,161
FY 2025/26 fund balance	\$	(1,205,292)

**TID Assessment 1.5% - Year 1  
TID Assessment 2% - Years 2 -5**

**Year 1 - FY 2021/22**

FY 2020/21 estimated fund	\$	1,400,000
FY 2021/22 Projected rever	\$	610,936
FY 2021/22 available funds	\$	2,010,936
<b>FY 2021/22 budget</b>	<b>\$</b>	<b>1,300,000</b>
FY 2021/22 fund balance	\$	710,936

**Year 2 - FY 2022/23**

FY 2021/22 fund balance	\$	710,936
FY 2022/23 Projected rever	\$	1,174,623
FY 2022/23 available funds	\$	1,885,559
FY 2022/23 budget	\$	1,339,000
FY 2022/23 fund balance	\$	546,559

**Year 3 - FY 2023/24**

FY 2022/23 fund balance	\$	546,559
FY 2023/24 Projected rever	\$	1,209,862
FY 2023/24 available funds	\$	1,756,421
FY 2023/24 budget	\$	1,379,170
FY 2023/24 fund balance	\$	377,251

**Year 4 - FY 2024/25**

FY 2023/24 fund balance	\$	377,251
FY 2024/25 Projected rever	\$	1,246,158
FY 2024/25 available funds	\$	1,623,409
FY 2024/25 budget	\$	1,420,545
FY 2024/25 fund balance	\$	202,864

**Year 5 - FY 2025/26**

FY 2024/25 fund balance	\$	202,864
FY 2025/26 Projected rever	\$	1,283,543
FY 2025/26 available funds	\$	1,486,407
FY 2025/26 budget	\$	1,463,161
FY 2025/26 fund balance	\$	23,245

**TID Assessment 1.5%  
Years 1 - 5 at \$1,200,000 (Original)**

**Year 1 - FY 2021/22**

FY 2020/21 estimated fund balance	\$	1,400,000
FY 2021/22 Projected revenue	\$	610,936
FY 2021/22 available funds	\$	2,010,936
FY 2021/22 budget	\$	1,200,000
FY 2021/22 fund balance	\$	810,936

**Year 2 - FY 2022/23**

FY 2021/22 fund balance	\$	810,936
FY 2022/23 Projected revenue	\$	880,970
FY 2022/23 available funds	\$	1,691,906
FY 2022/23 budget	\$	1,236,000
FY 2022/23 fund balance	\$	455,906

**Year 3 - FY 2023/24**

FY 2022/23 fund balance	\$	455,906
FY 2023/24 Projected revenue	\$	907,399
FY 2023/24 available funds	\$	1,363,305
FY 2023/24 budget	\$	1,273,080
FY 2023/24 fund balance	\$	90,225

**Year 4 - FY 2024/25**

FY 2023/24 fund balance	\$	90,225
FY 2024/25 Projected revenue	\$	934,621
FY 2024/25 available funds	\$	1,024,846
FY 2024/25 budget	\$	1,311,272
FY 2024/25 fund balance	\$	(286,426)

**Year 5 - FY 2025/26**

FY 2024/25 fund balance	\$	(286,426)
FY 2025/26 Projected revenue	\$	962,659
FY 2025/26 available funds	\$	676,233
FY 2025/26 budget	\$	1,350,611
FY 2025/26 fund balance	\$	(674,378)

**TID Assessment 1.5% - Year 1  
TID Assessment 2% - Years 2 -5**

**Year 1 - FY 2021/22**

FY 2020/21 estimated fund balance	\$	1,400,000
FY 2021/22 Projected revenue	\$	610,936
FY 2021/22 available funds	\$	2,010,936
FY 2021/22 budget	\$	1,200,000
FY 2021/22 fund balance	\$	810,936

**Year 2 - FY 2022/23**

FY 2021/22 fund balance	\$	810,936
FY 2022/23 Projected revenue	\$	1,174,623
FY 2022/23 available funds	\$	1,985,559
FY 2022/23 budget	\$	1,236,000
FY 2022/23 fund balance	\$	749,559

**Year 3 - FY 2023/24**

FY 2022/23 fund balance	\$	749,559
FY 2023/24 Projected revenue	\$	1,209,862
FY 2023/24 available funds	\$	1,959,421
FY 2023/24 budget	\$	1,273,080
FY 2023/24 fund balance	\$	686,341

**Year 4 - FY 2024/25**

FY 2023/24 fund balance	\$	686,341
FY 2024/25 Projected revenue	\$	1,246,158
FY 2024/25 available funds	\$	1,932,499
FY 2024/25 budget	\$	1,311,272
FY 2024/25 fund balance	\$	621,227

**Year 5 - FY 2025/26**

FY 2024/25 fund balance	\$	621,227
FY 2025/26 Projected revenue	\$	1,283,543
FY 2025/26 available funds	\$	1,904,770
FY 2025/26 budget	\$	1,350,611
FY 2025/26 fund balance	\$	554,159



DRAFT

Silicon Valley/Santa Clara DMO Inc.

Performance Measures

	2021/22 Target	2022/23 Target
<b>1. Event Mix (Consumed)</b>		
Percent of P1 Events <sup>1</sup>	1%	2%
Number of P1 Events	1	3
Percent of P2 Events <sup>2</sup>	2%	4%
Number of P2 Events	2	6
<b>2. Number of Definite Events Booked (booked in the year for future years)</b>		
Number of P1 Events	3	5
Number of P2 Events	6	11
<b>3. Convention Center Gross Revenue (P1&amp; P2)</b>	<b>\$876,000</b>	<b>\$2,850,000</b>
<b>4. Number of Room Nights Booked (for future years)</b>	<b>9,375</b>	<b>16,438</b>
<b>5. Number of Room Nights Consumed</b>	<b>3,125</b>	<b>9,375</b>
<b>6. Number of Weeks Impacted (Consumed)</b>	<b>3</b>	<b>9</b>
<b>7. Customer Service Survey Results (overall satisfaction)</b>	<b>85%</b>	<b>85%</b>
<b>8. Number of Prospects<sup>3</sup> (active)</b>	<b>770</b>	<b>300</b>
<b>9. Economic Impact<sup>4</sup> (Consumed P1 and P2 events)</b>	<b>\$2,010,649</b>	<b>\$6,031,943</b>
<b>Workload Measures</b>		
Number of tentative <sup>5</sup> bookings	-	-


<sup>1</sup> Priority 1 (P1) event – Large multi-day convention and/or conference that utilizes all venue space at the Convention Center, utilizes significant venue services such as food and beverage, audio-visual and information technology, and draws a substantial number of out of town visitors that stay in multiple Santa Clara hotels.

<sup>2</sup> Priority 2 (P2) event – Primarily large multi-day convention and/or conference that utilizes most of the venue space at the Convention Center, utilizes venue services such as food and beverage, audio-visual and information technology, and draws out of town visitor that stay in multiple Santa Clara hotels.

<sup>3</sup> A prospect is a potential customer who has been contacted and qualified by the sales team as having desirable criteria for an event in Santa Clara such as: size of event fits in the venue, there is a history of hotel needs that can be provided by Santa Clara hotels, and they have expressed interest in holding an event in Santa Clara.

<sup>4</sup> Economic impact is the amount of additional direct spending that occurs in the community by out of town and local attendees of events at the Convention Center. For example, when Convention Center event attendees come to Santa Clara, they create economic activity through spending on items such as hotels, restaurants, retail stores and visitor attractions.

<sup>5</sup> A booking is considered tentative when event proposal is issued to the client, space is held at the Center for the client's event and a license agreement has been issued or will be issued.



# KPI Workshop & 21/22 Budget Proposal

April 16, 2021

# Agenda



- Review DMO KPI Goals
  - KPI Purpose
  - Level set / event types: P1 – P5 (aspirational/interim policies)
  - KPI Definitions
  - Shared KPI's
  - Calculated Goals
- Review Proposed Budget 21/22
  - Assumptions

# KPI's – Silicon Valley/Santa Clara DMO, Inc.

## Key Purpose of KPI's

- Metrics design to take a holistic view of success for DMO
- Driving accountability
- Creates success measures that “tell the whole story”
- Creates a common approach to determining success
- Creates a reporting plan that keeps elected officials, board and stakeholders informed

# DMO / SCCC Aspirational Booking Policy

## Mid-Week Booking Policy

Priority	Peak Room Nights	Combined Building Spend	Economic Impact	Convention Center Impact	Community Impact	Booking Window
Priority1 (full center user)	1,100 rooms on peak or greater	\$1,000,000+	High	High	Medium	18+ months
Priority2	600-1,099 rooms on peak	\$750,000- \$1,000,000	High	Medium	Low	13-18 months
Priority3	100-599 rooms on peak	\$500,000- \$750,000	Medium	Medium	Medium	0-13 months
Priority4	<100 rooms on peak	\$200,000- \$500,000	Medium	High	Low	0-13 months
Priority5 (social events)	Non room night generating	\$90,000- \$199,000	Low	High	Medium	0-12 months
Priority6	Non room night generating	\$10,000- \$89,000	Low	Medium	Medium	Within six months
Community	Non room night generating	N/A	Low	Low	High	0-6
Non-Eligible Events	Non room night generating	<\$10,000	Low	Low	Low	Not eligible

# DMO / SCCC Aspirational Booking Policy

## Weekend Booking Policy

Priority	Peak Room Nights	Combined Building Spend	Economic Impact	Convention Center Impact	Community Impact	Booking Window
Priority 1 (fullcenter user)	400 rooms on peak or greater	\$450,000+	High	High	Medium	18+ months
Priority 2	200-399 rooms on peak	\$200,000- \$449,000	High	Medium	Low	13-18 months
Priority 3	50-199 rooms on peak	\$100,000- \$199,000	Medium	Medium	Medium	0-13 months
Priority 4	<50 rooms on peak	\$50,000- \$99,000	Medium	High	Low	0-12 months
Priority 5 (social events)	Non roomnight generating	\$10,000- \$49,000	Low	High	Medium	0-6 months
Community	Nonroomnight generating	N/A	Low	Low	High	0-6
Non-Eligible Events	Non roomnight generating	<\$10,000	Low	Low	Low	Not eligible

# DMO / SCCC Interim Booking Policy

## Interim Mid-Week Booking Policy

Priority	Peak Room Nights	Combined Building Spend	Economic Impact	Convention Center Impact	Community Impact	Booking Window
Priority1 (fullcenter user)	800+ roomson peak or greater	\$600,000+	High	High	Medium	18+months
Priority2	500-799 roomson peak	\$250,000- \$599,000	High	Medium	Low	13-18 months
Priority3	100-599 roomson peak	\$150,000- \$249,000	Medium	Medium	Medium	0-13 months
Priority4	<100 rooms on peak	\$50,000- \$149,000	Medium	High	Low	0-12 months
Priority5 (socialevents)	Non roomnight generating	\$15,000- \$49,000	Low	High	Medium	0-6 months
Priority6	Non roomnight generating	\$10,000- \$89,000	Low	Medium	Medium	Withinsix months
Community	Nonroomnight generating	N/A	Low	Low	High	0-6
Non-Eligible Events	Non roomnight generating	<\$10,000	Low	Low	Low	Not eligible

# DMO / SCCC Interim Booking Policy

## Interim Weekend Booking Policy

Priority	Peak Room Nights	Combined Building Spend	Economic Impact	Convention Center Impact	Community Impact	Booking Window
Priority 1 (fullcenter user)	400 rooms on peak or greater	\$400,000+	High	High	Medium	18+ months
Priority 2	150-399 rooms on peak	\$200,000- \$399,000	High	Medium	Low	13-18 months
Priority 3	50-149 rooms on peak	\$100,000- \$199,000	Medium	Medium	Medium	0-13 months
Priority 4	<100 rooms on peak	\$50,000- \$99,000	Medium	High	Low	0-12 months
Priority 5 (social events)	Non roomnight generating	\$10,000- \$49,000	Low	High	Medium	0-12 months
Community	Nonroomnight generating	N/A	Low	Low	High	0-6
Non-Eligible Events	Non roomnight generating	<\$10,000	Low	Low	Low	Not eligible



# DMO KPI's / Descriptions

Key Performance Indicator	Description	Weight
Number of Definite Events	A “definite” event is a future event confirmed with a signed executed SCCC contract and at least one TID lodging business.	15%
Number of Weeks Impacted	Weeks throughout the year where a P1 event, citywide or a combination of events positively impacts the destination’s local economy.	15%
SCCC Gross Revenue	Actual event spend including rental, food and beverage services, audio-visual services, information technology services and other event related services.	15%
Number of Room Nights Booked	Total number of rooms blocked at Santa Clara lodging businesses for P1 or P2 events, multiplied by the number of nights each room is reserved.	10%
Number of Room Nights Consumed	Total rooms occupied at Santa Clara lodging businesses for a P1 or P2 event, multiplied by the number of nights each room is occupied.	5%
Prospects	Account/Customer that is potentially interested in booking an event at the Convention Center.	15%
Economic Impact	Total value of an event, including indirect spending, on the host destination’s local economy	5%
Customer Service Survey Results	Satisfaction surveys shall be administered by a third-party administrator to Convention Center meeting planners, clients and attendees.	10%
Event Mix	The target mix of convention/meeting types (P1, P2, P3, etc.) that will deliver the best financial and economic results for the City	10%

# Shared KPI's

KPI's	Spectra	Levy	DMO
Convention Center Gross Revenue	X		X
Net Income	X	X	
Number of Room Nights Consumed	X		X
Economic Impact	X		X
Customer Service Survey Results	X	X	X
Event Mix	X		X
Community Benefit/Impact	X	X	
Number of Room Night Generated/Booked		X	X
Sustainability		X	
Workforce Development/Training		X	
Local Purchasing		X	
Sales Activity - Prospects		X	X
Retail Space Activation		X	
Number of Definite Events Booked			X
Number of Weeks Impacted			X

# KPI's - Silicon Valley/Santa Clara DMO Inc.

Silicon Valley/Santa Clara DMO Inc.

## Performance Measures

	2021/22 Target	2022/23 Target
<b>1. Event Mix (Consumed)</b>		
Percent of P1 Events	1%	2%
Number of P1 Events	1	3
Percent of P2 Events	2%	4%
Number of P2 Events	2	6
<b>2. Number of Definite Events Booked (booked in the year for future years)</b>		
Number of P1 Events	3	5
Number of P2 Events	6	11
<b>3. Convention Center Gross Revenue (P1&amp; P2)</b>	<b>\$876,000</b>	<b>\$2,850,000</b>
<b>4. Number of Room Nights Booked (for future years)</b>	<b>9,375</b>	<b>16,438</b>
<b>5. Number of Room Nights Consumed</b>	<b>3,125</b>	<b>9,375</b>
<b>6. Number of Weeks Impacted (Consumed)</b>	<b>3</b>	<b>9</b>
<b>7. Customer Service Survey Results (overall satisfaction)</b>	<b>85%</b>	<b>85%</b>
<b>8. Number of Prospects (active)</b>	<b>770</b>	<b>300</b>
<b>9. Economic Impact (Consumed P1 and P2 events)</b>	<b>\$2,010,649</b>	<b>\$6,031,943</b>

# Event Mix

- Overarching purpose of this KPI is to strive for an “optimized’ Convention Center, i.e. the highest value and best use of our space.
- A Center optimization analysis was completed to determine the target mix of convention/meeting types (P1 – P5) that will deliver the **best financial** and **economic results** for the City (all years).
- For **21/22** goal is to have **one P1** and **two P2’s** (one P1 definite / no P2’s); need to book & actualize two P2’s from now through June 2022 to accomplish goal.
- For **22/23** goal is to have **three P1’s** and **six P2’s** (no P1’s or P2’s definite); need to book & actualize three P1’s and six P2’s from now through June 2023 to accomplish goal.
- These goals are what the DMO feels it can book from now through the end of fiscal year 22/23 and to actualize (and be consumed) by end of 22/23 for these two fiscal years, by using historically bookings, booking patterns, what was initially in the funnel, what’s currently in the funnel, citywide demand, capacity to book (feedback), the current “pandemic reality”, the Center opening, a Marketing Agency and full sales staff; while utilizing the current Santa Clara CC Booking Strategy Policies (interim and aspirational)
- In 28/29, our targeted ‘optimized’ year, we should have 20 P1’s and 16 P2’s on the books and consumed annually

# Booking Goals (booked for future years)



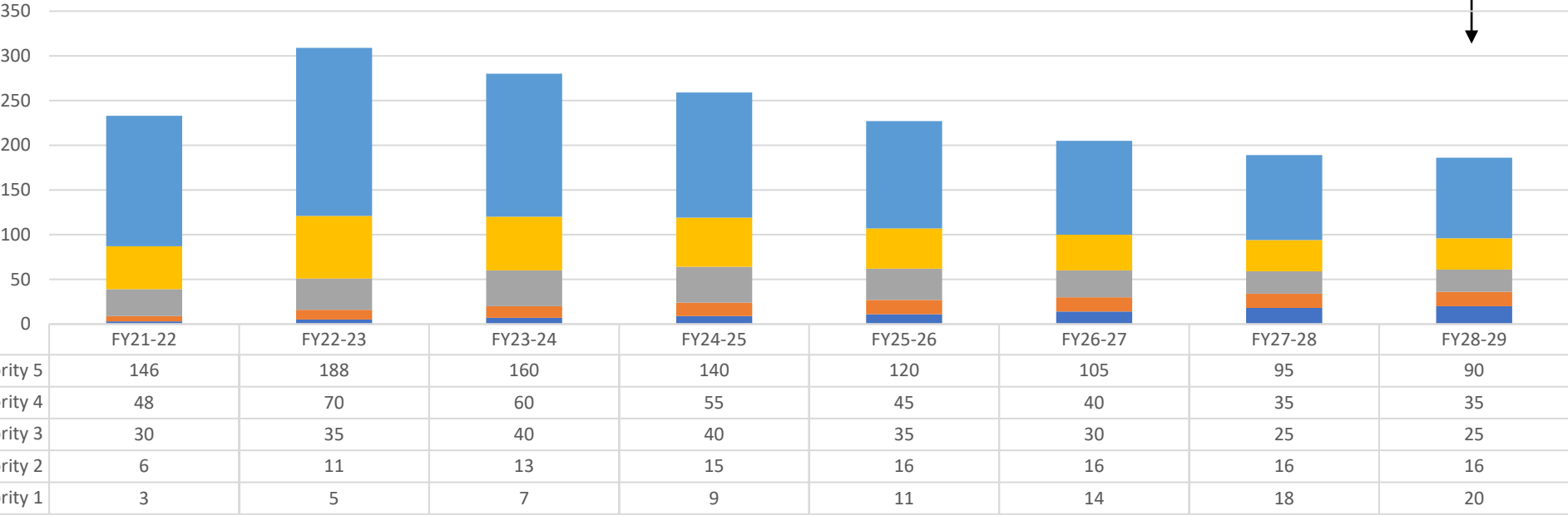
Notes on changes:

- Extended from 5 years to 8 years
- Reduced P1 & P2 booking goals in earlier years
  - Extended ramp up period to stabilize in year-7
- P3-P5 events scale down to normalize as P1-P2 events ramp up

Stabilized year Booked & Consumed annually from here forward

SCCC Path to Booked & Consumed Events Annually  
FY28-29 is Stabilized Year

Booking Goals



# # of Definite Events Booked (in the year for future years)

- A “definite” event is a future event confirmed with a signed & executed SCCC contract between the event organizer and the Convention Center and at least one TID lodging business for event room blocks.
- . The key to achieving this goal is achieving the number of prospects that are outlined in the prospecting KPI and having success converting prospects to actual business. Conversion rates have been estimated in determining the viability of achieving this KPI. Levy has a KPI that ties into Events Booked and is key to assisting the DMO
- For **21/22** goal is to book **three P1** and **six P2’s** (one P1 definite / no P2’s) into any year (current & future) to accomplish goal.
- For **22/23** goal is to book **five P1’s** and **11 - P2’s** (no P1’s or P2’s definite) into any year (current & future) to accomplish goal.
- These metrics were determined based on historically bookings, booking patterns, what was initially in the funnel, what’s currently in the funnel, citywide demand, capacity to book (feedback), the current “pandemic reality”, the Center opening, a Marketing Agency and full sales staff; while utilizing the current Santa Clara CC Booking Strategy Policies (interim and aspirational)

# FY Budget Events (consumed in these FY)



Initial goals set mid December 2020 with assumption of SCCC opening April 1, 2021.

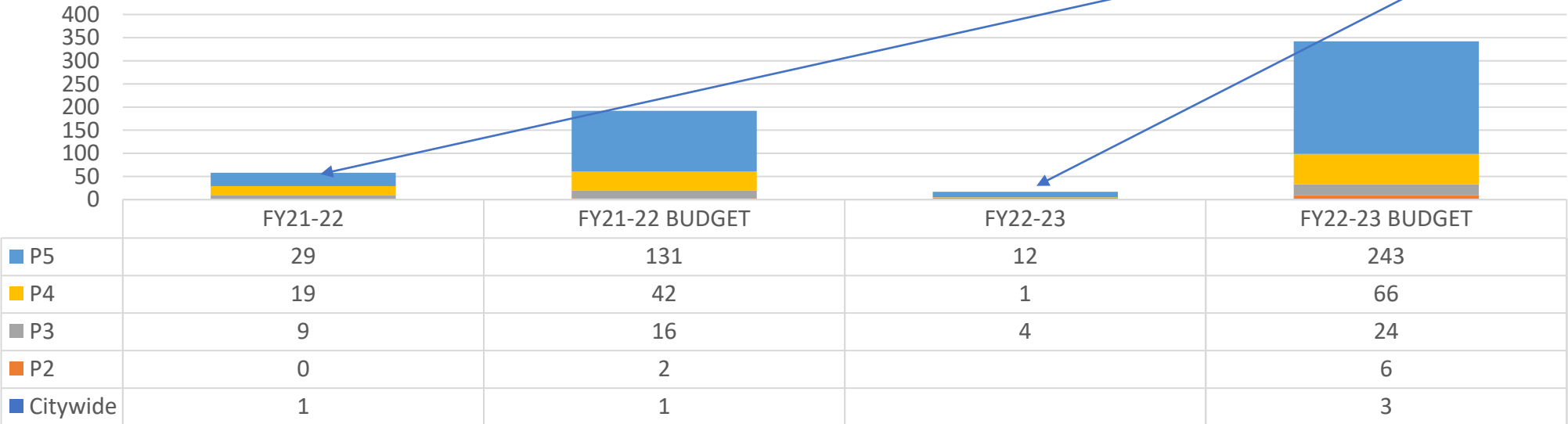
Goals revised March 2021 with new opening date anticipated October 1, 2021.

- FY21-22
  - P1 – 1 (reduced)
  - P2 – 2 (reduced)
- FY22-23
  - P1 – 3 (reduced by half)
  - P2 – 6 (reduced by half)

38% room night generating events FY21-22  
 38% Room nights generating events FY22-23

Pace to budget (what is booked)

FY Consumed Budget Events



# Convention Center Gross Revenue

- Actual event spend including rental, food and beverage services, audio-visual services, information technology services and other event related services.
- The focus of this KPI is to illustrate the importance of the DMO securing business that has the level of convention center revenue as outlined in the booking strategy.
- For **21/22** the goal is **\$876,000 in actualized P1/P2 gross revenue**. Using Event Mix calculations in KPI#1. This figure was determined by taking what is currently on the books (one P1), what revenue we are forecasting for this program, what we historically actualize in revenue, in addition to utilizing the avg. minimum spend for a P2 (as identified in the Interim booking policy). In this case we have no other P1 in the funnel and need to book two P2's at an avg. historically spend of \$225K each by June 30, 2022.
- For **22/23** the goal is **\$2,850,000 in actualized P1/P2 gross revenue**. Using Event Mix calculations in KPI#1. This figure was determined by taking what is currently on the books (no P1's and no P2's), what we historically actualize in revenue, in addition to utilizing the avg. minimum spend for a P1 & P2 (as identified in the Interim booking policy). In this case we have source, book and actualize three P1's for \$500K each and six P2's at an avg. historically spend of \$225K each by June 30, 2023.



# Number of Room Nights Booked (for future years)

- Total number of rooms blocked at Santa Clara lodging businesses for P1 or P2 events, multiplied by the number of nights each room is reserved.
- These goals are simply the # of room nights that are estimated to be booked in Priority 1 and 2 using the # of Definite Events Booked in KPI # 2, using the Santa Clara Convention Center Booking Strategy (revised March 18, 2021) Interim Booking Policy.
- For 21/22 the goal is to book 9,375 room nights in both P1 & P2's.
- For 22/23 the goal is to book 16,438 room nights in both P1 & P2's.
- We used an avg. peak room night of 600 for P1's and an avg. peak room night of 325 for P2's, using the Interim Booking Strategy, assuming a 2.5 night LOS (based on historical averages) to determine these KPI Goals (next slide for graphic)

# # of Room Nights Booked (for future years) - Calculation

Room Night Calculations														
interim numbers -weekday					interim numbers -weekend					Interim average weekday and weekend				
FY 21/22	# of Events	# of Rooms - Peak	Average # of Nights	Room Nights Forecasted	FY 21/22	# of Events	# of Rooms	Average # of Nights	Room Nights Forecasted	FY 21/22	# of Events	# of Rooms	Average # of Nights	Room Nights Forecasted
P1	0	800	2.5	-	P1	1	400	2.5	1,000	P1	3	600	2.5	4,500
P2	2	500	2.5	2,500	P2	0	150	2.5	-	P2	6	325	2.5	4,875
<b>P1 &amp; P2</b>														
<b>9,375</b>														
FY 22/23	# of Events	# of Rooms	Average # of Nights	Room Nights Forecasted	FY 22/23	# of Events	# of Rooms	Average # of Nights	Room Nights Forecasted	FY 22/23	# of Events	# of Rooms	Average # of Nights	Room Nights Forecasted
P1	2	800	2.5	4,000	P1	1	400	2.5	1,000	P1	5	600	2.5	7,500
P2	4	500	2.5	5,000	P2	2	150	2.5	750	P2	11	325	2.5	8,938
<b>P1 &amp; P2</b>														
<b>16,438</b>														
aspirational numbers -weekday					aspirational numbers -weekend					Aspirational average weekday and weekend				
FY 21/22	# of Events	# of Rooms	Average # of Nights	Room Nights Forecasted	FY 21/22	# of Events	# of Rooms	Average # of Nights	Room Nights Forecasted	FY 21/22	# of Events	# of Rooms	Average # of Nights	Room Nights Forecasted
P1	0	1,100	2.5	-	P1	1	400	2.5	1,000	P1	3	750	2.5	5,625
P2	2	600	2.5	3,000	P2	0	200	2.5	-	P2	6	400	2.5	6,000
<b>P1 &amp; P2</b>														
<b>11,625</b>														
FY 22/23	# of Events	# of Rooms	Average # of Nights	Room Nights Forecasted	FY 22/23	# of Events	# of Rooms	Average # of Nights	Room Nights Forecasted	FY 23/24	# of Events	# of Rooms	Average # of Nights	Room Nights Forecasted
P1	2	1,100	2.5	5,500	P1	1	400	2.5	1,000	P1	5	750	2.5	9,375
P2	4	600	2.5	6,000	P2	2	200	2.5	1,000	P2	11	400	2.5	11,000
<b>P1 &amp; P2</b>														
<b>20,375</b>														

We used an avg. peak room night of 600 for P1's and an avg. peak room night of 325 for P2's, using the Interim Booking Strategy, assuming a 2.5 night LOS (based on historical averages) to determine this KPI Goal.

# # of Room Nights Consumed

- Total rooms occupied at Santa Clara lodging businesses for a P1 or P2 event, multiplied by the number of nights each room is occupied.
- These goals are the # of room nights that are estimated to be *consumed* in Priority 1 and 2's using Event Mix in KPI # 1.
- For 21/22 the goal is to book and *consume* 3,125 room nights in both P1 & P2's.
- For 22/23 the goal is to book and *consume* 9,375 room nights in both P1 & P2's.
- We used an avg. peak room night of 600 for P1's, and an avg. peak room night of 325 for P2's, using the Interim Booking Strategy, assuming a 2.5 night LOS (based on historical averages) to determine these KPI Goals. ). In 21/22 we are projecting one P1 for 1,500 room nights and two P2's for 1,625 room nights = **3,125 to be consumed in 21/22**. In 22/23 we are projecting 3 P1 for 4,500 room nights and six P2's for 4,875 room nights = **9,375 to be consumed in 21/22**.

# Number of Weeks Impacted

- Weeks throughout the year where a P1 event, citywide or a combination of events positively impacts the destination's local economy.
- The focus of this KPI is to determine how many weeks the DMO has impacted the Santa Clara at a P1/P2 level. This KPI can demonstrate that the DMO is impacting several weeks annually which is often more important to the TID hotels than strictly total room nights. The DMO may have a highly successful year in terms of “weeks impacted” and the overall number of room nights may be similar to a previous year with less weeks impacted. Compression!!
- These figures are the # of P1 and P2's budgeted in these years (KPI #1) using an average length of stay of 2.5 days per event, and assuming a day load in and load out equaling 5 total days of impact per event. **3 in 21/22 and 9 in 22/23.**

# Customer Service Survey Results

- Satisfaction surveys that will be administered by a third-party to Convention Center meeting planners, clients and attendees.
- The survey instrument will measure the overall customer satisfaction with the Contractor's performance in providing services.
- Survey results will be sent directly to City.
- 85% is the targeted goal for each year of the survey.
- Survey to be conducted annually.

# Number of Prospects

- Account/Customer that is potentially interested in booking an event at the Convention Center
- In order for an event to be considered a “prospect” it needs to meet one of the four criteria listed below, and contact with the client is to be made by the sales manager via by phone, email, etc. The sales manager will assess the group based on criteria to include:
  - Is the event “trace-worthy” based on the assessment of the sales manager.
  - The event organizer is showing or has shown interest in Santa Clara as a meeting destination.
  - The event will fit in the Santa Clara Convention Center.
  - The event has a history of meeting in similar destinations.

Additional characteristics of a “prospect” include:

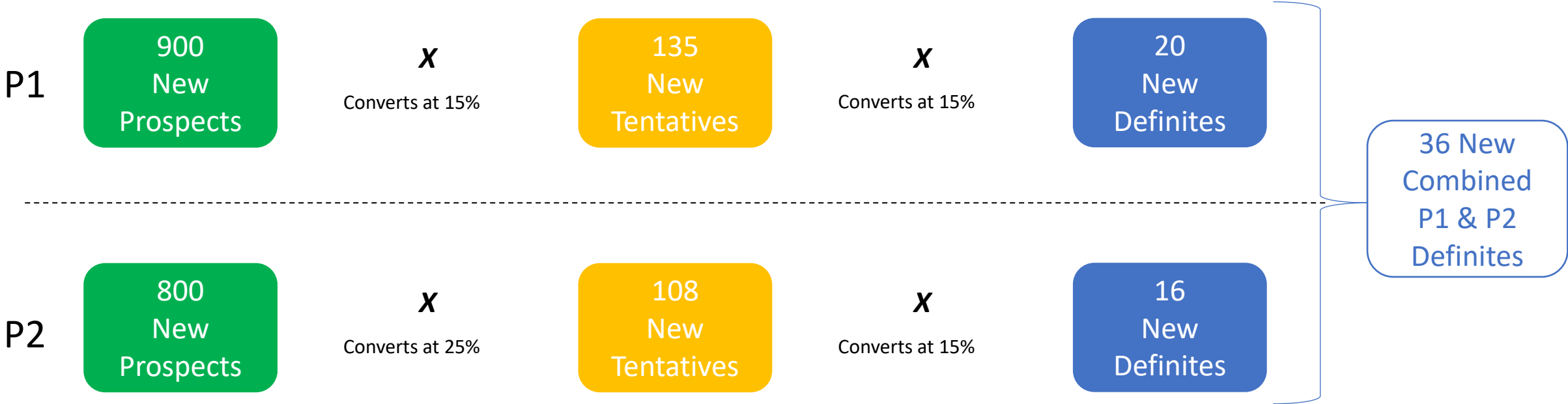
- It is not required to know their next available date
  - The sales manager will gain whatever detail on the event is possible and this will vary
  - Space would not be held and there would be no proposal issued
- 
- For the calculation listed: **770 in 21/22 and 300 in 22/23**. These targets were determined by using current activity levels of the Sales Contractor (original SM) and in anticipation of hiring an additional Sales Manager in July (with a 60 day ramp up) and hiring a Director of Sales in October \*with a 60 day ramp up). Reference glide path Slide for the next two years.

# Sales Activity Goals to Achieve Booking Goals



Number of Prospects needed in the system 'over time' to achieve stabilized year booking goals

- Priority 1 – 900 prospects
- Priority 2 – 430 prospects
- 1,330 total prospects to add over 3 years and sustain sales activity



# Resource Needed to Achieve Sales Activity Goals



In order to achieve the future booking goals, the sales team will continuously need to be prospecting to “fill the funnel”.

- 60 day ramp up for new hires.
- Prospecting will continue, indefinitely, however, as sales team members take on client responsibilities (i.e. negotiating, tracing, sales calls, travel, etc. - their prospecting levels will naturally stabilize and/or decline .
- The following chart shows a three-year plan to achieve the prospecting goals.

Sales Activity Goals

Sales Manager / Month	Dec	Jan	Feb	Mar	April	May	June	20/21	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	21/22	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	22/23	Total		
Original SM	50	50	50	50	50	50	50	350	45	45	45	45	45	45	20	20	20	20	20	20	390	10	10	10	10	10	10	10	10	10	10	10	10	10	120	860	
National/Regional Sales Manager								0			30	30	30	30	20	20	20	20	20	20	240	10	10	10	10	10	10	10	10	10	10	10	10	10	10	120	360
Director of Sales								0						20	20	20	20	20	20	20	140	5	5	5	5	5	5	5	5	5	5	5	5	5	60	200	
								350													770													300	1420		



# Economic Impact

- Total value of an event, including indirect spending, on the host destination's local economy.
- The focus of this KPI is to demonstrate the “direct spending” impact of the groups that are secured by the DMO. The formulas used have been customized for Santa Clara.
- For 21/22, one P1 and two P2's will generate \$2,010,648 in economic impact, based on the Event Mix KPI's (KPI#1).
- For 22/23, three P1's and six P2's will generate \$6,031,943 in economic impact, based on the Event Mix KPI's (KPI#1).
- The Event Impact Calculator, the tool utilized to calculate the Economic Impact, measures the economic value of an event and calculates its return on investment to local taxes. Armed with this information, destination organizations and DMO's are better prepared to make the case to policymakers and stakeholders for the ongoing development and growth of the events and meetings sectors. Updated annually, the calculator draws on ten different data sources to provide an industry-wide standard.

# Economic Impact

Economic Impact - Based on Interim Booking Policy				
FY 21/22 & FY 22/23				
P1 Midweek EIC Total	\$	1,335,037	P2 Midweek EIC Total	\$ 709,398
P1 Weekend EIC Total	\$	667,304	P2 Weekend EIC Total	\$ 300,079
P1 Average	\$	1,001,171	P2 Average	\$ 504,739

## FY 21/22 &

P1 Midweek EIC Total - \$1,335,037

P1 Weekend EIC Total - \$667,304

**Avg. P1 EIC - \$1,001,170**

FY 21/22 P1 - (1) \$1,001,170

FY 21/22 P2 - (2) \$1,009,478

**Total - \$2,010,648**

## FY 22/23 Economic Impact

P2 Midweek EIC Total - \$709,398

P2 Weekend EIC Total - \$300,079

**Avg. P2 EIC - \$504,738**

FY 22/23 P1 - (3) \$3,003,510

FY 22/23 P2 - (6) \$3,028,428

**Total - \$6,031,943**

# By 2029, Citywide Impact to Santa Clara

- By 28/29' the DMO, could be bringing in roughly \$50,000,000 in Rooms and Center spend to the City of Santa Clara, with a targeted 36 Citywides (20 P1's and 16 P2's).

# Budget Assumptions

- **Five FTE's\***
  - CEO, DOS (selling), SM, SM2, Admin
  - Start dates in July for SM, SM2 and Admin
  - DOS start date in October
- **Full Benefits Package\***
  - Healthcare through Cal Choice: Kaiser, Anthem, Sutter
  - Vision (VSP), Dental (Delta), Life, LTD,STD,FSA, DCSA, Commuter, EAP
  - 401K (no match in 21/22)
  - Cell phone stipend
- **Incentive/Individual/Team Bonus Plans\***
- **Management District Plan / Allocation of TID Funds used to build budget**

# 21/22 Proposed DMO Budget – Summary / Fund Balance

	Budget
<b>Income</b>	
40000 Allocated Funding	\$1,300,000.00
42000 Grants	\$0.00
<b>Total 40000 Allocated Funding</b>	<b>\$1,300,000.00</b>
<b>50000 Operating Expenses</b>	
51000 Personnel Expenses	
51100 Salaries (all FTE team members)	\$612,500.00
51200 Payroll Taxes	\$46,178.00
51300 Employee Benefits	\$51,896.00
51600 Incentive/Bonus (employee incentive)	\$74,136.00
<b>Total 51000 Personnel Expenses</b>	<b>\$784,710.00</b>
54000 Administrative Expenses	
Total 54400 Professional Services	\$199,278.00
Total 54600 Office Supplies	\$5,940.00
Total 54700 Insurance (Vantreo - Broker)	\$8,610.00
<b>Total 54000 Administrative Expenses</b>	<b>\$213,828.00</b>
55000 Industry Relations Expense	
Total 55100 Destinations International	\$8,772.00
55400 Subscription (Trade Journals/Newspapers)	\$600.00
<b>Total 55000 Industry Relations Expense</b>	<b>\$9,372.00</b>
56000 Sales and Services Expense	
56150 Incentives (Subsidies)	\$50,000.00
56300 Trade Shows	\$20,000.00
Total 56600 Professional Affiliations	\$6,575.00
Total 56800 Site Visits/Customer Events/Fams	\$45,000.00
56950 Travel & Entertainment	\$30,000.00
<b>Total 56000 Sales and Services Expense</b>	<b>\$151,575.00</b>
57000 Marketing Expenses	
Total 57100 Contract Services	
<b>Total 57000 Marketing Expenses</b>	<b>\$122,187.00</b>
58000 Contingency	\$18,328.00
<b>Total 50000 Operating Expenses</b>	<b>\$1,300,000.00</b>

## TID Assessment 1.5% Years 1 - 5 at \$1,300,000 (Proposed)

### Year 1 - FY 2021/22

FY 2020/21 estimated fund balance	\$	1,400,000
FY 2021/22 Projected revenue	\$	610,936
FY 2021/22 available funds	\$	2,010,936
<b>FY 2021/22 budget</b>	<b>\$</b>	<b>1,300,000</b>
FY 2021/22 fund balance	\$	710,936

### Year 2 - FY 2022/23

FY 2021/22 fund balance	\$	710,936
FY 2022/23 Projected revenue	\$	880,970
FY 2022/23 available funds	\$	1,591,906
<b>FY 2022/23 budget</b>	<b>\$</b>	<b>1,339,000</b>
FY 2022/23 fund balance	\$	252,906

### Year 3 - FY 2023/24

FY 2022/23 fund balance	\$	252,906
FY 2023/24 Projected revenue	\$	907,399
FY 2023/24 available funds	\$	1,160,305
<b>FY 2023/24 budget</b>	<b>\$</b>	<b>1,379,170</b>
FY 2023/24 fund balance	\$	(218,865)

### Year 4 - FY 2024/25

FY 2023/24 fund balance	\$	(218,865)
FY 2024/25 Projected revenue	\$	934,621
FY 2024/25 available funds	\$	715,756
<b>FY 2024/25 budget</b>	<b>\$</b>	<b>1,420,545</b>
FY 2024/25 fund balance	\$	(704,789)

### Year 5 - FY 2025/26

FY 2024/25 fund balance	\$	(704,789)
FY 2025/26 Projected revenue	\$	962,659
FY 2025/26 available funds	\$	257,870
<b>FY 2025/26 budget</b>	<b>\$</b>	<b>1,463,161</b>
FY 2025/26 fund balance	\$	(1,205,292)

