

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

June 17, 2021, 8:00 a.m.

---

**\*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/99828808488>  
Meeting ID: 998 2880 8488 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.*

1. Action on the Minutes of the Santa Clara Tourism Improvement District Advisory Board.
  - Regular Meeting – May 20, 2021

**Consent Items Pulled for Discussion**

**General Business – Items for Discussion**

2. Update on the TID Conversion and the New District Effective July 1, 2021.
3. Discussion on Lost Business and Future Bookings at the Convention Center.
4. Silicon Valley/Santa Clara DMO, Inc. Updates.
  - a. Sales Activity
  - b. Marketing Agreement
  - c. Contract Services: Sales Manager and Part-time Administrative Assistant
  - d. Update on Potential DMO Involvement with Visit California

**General Updates**

**Adjournment**

The next regular scheduled meeting is on July 15, 2021 at 8:00 a.m.

---

*\*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 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 prior as soon as possible before the scheduled event.*

## **ATTACHMENTS**

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

**TID Meeting  
June 17, 2021  
Agenda Item #1**

May 20, 2021, 8:00 a.m.

---

**Call to Order**

Chair Hodges called the meeting to order at 8:05 a.m.

**Roll Call**

**Present: 5** Vince Buonocore, Interim General Manager, Marriott Santa Clara  
John D’Agostino, Interim General Manager, Avatar Hotel  
Peter Hart, General Manager, Embassy Suites  
Eron Hodges, General Manager, Hyatt Regency Santa Clara  
Jon Siebring, General Manager, Biltmore Hotel

**Absent: 6** Bridgette Burns, General Manager, TownePlace Suites by Marriott  
Joe Eustice, General Manager, Hilton Santa Clara (joined at 8:10 a.m.)  
Justin Hart, General Manager, AC Hotel Santa Clara (joined at 8:10 a.m.)  
Alan Mass, General Manager, Hyatt House  
Jean-Phillippe Rollet, General Manager, The Plaza Suites  
Ryan Turner, General Manager, Element Santa Clara

A quorum was not met.

**In Attendance**

Ruth Mizobe Shikada, Assistant City Manager, City of Santa Clara  
Nancy Thome, Assistant to the City Manager, City of Santa Clara  
Dan Fenton, Executive Vice President, JLL  
Bethanie DeRose, Senior Vice President, JLL  
Kelly Carr, General Manager, Spectra Venue Management  
Christopher Hamilton, General Manager, Levy

**Public Comments**

There were no public comments.

**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.*

Joe Eustice joined the meeting at 8:10 a.m.

Justin Hart joined the meeting at 8:10 a.m.

1. Action on the Minutes of the Santa Clara Tourism Improvement District Advisory Board.
  - Special Meeting – April 30, 2021

**A motion was made by Peter Hart, seconded by Jon Siebring, to approve the Consent Calendar. Motion passed unanimously (7-0).**

### **Consent Items Pulled for Discussion**

#### **General Business – Items for Discussion**

2. Review of the Financial Status Report ending April 28, 2021.

Nancy Thome reviewed the Financial Status Report ending April 28, 2021 with the members. The report provided to the Advisory Board included four months instead of three: January, February, March, and April as a third quarter report was not completed and provided. The DMO year-to-date expenses are \$284,097. A balance of \$1.4 million is anticipated at the end of the Fiscal Year.

**A motion was made by Vince Buonocore, seconded by Peter Hart, to note and file the Financial Status Report ending April 28, 2021. Motion passed unanimously (7-0).**

3. Silicon Valley/Santa Clara DMO, Inc. Updates.
- a. Sales Activity
  - b. Marketing RFP Process
  - c. Contract Services: Sales Manager and Part-time Administrative Assistant

Dan Fenton reported that there is an internal sales meeting every two weeks including the DMO, Spectra and Levy. He put up slides which will be included in report packets to the hotels in the future. The slides demonstrate the number of new prospects compared to the prospect goals. It is the intention of the DMO to keep the hotels update on progress for bookings.

Christopher Hamilton added that Levy has a KPI for P1 and P2 business and for room night generation which is uncommon for a food and beverage provider. The chef has been on calls for potential P1s and P2s and they send out tasting baskets to potential clients as a strategy to differentiate Santa Clara from other destinations.

Member Eustice requested that the reports also include what clients are new, what business is repeat and lost business.

Nancy Thome reported that the DMO is working with Lotus Marketing on a marketing contract. The Notice of Intent to negotiate an agreement with this contractor has been released.

Chair Hodges expressed concern that some business is being turned away that could potentially be good business for the hotels. He recommended regular dialogue with all groups regarding lost business and business that was turned down.

Dan Fenton reported that there has been a turn-over in contract sales staff and efforts will continue as the DMO transitions to hiring full-time sales managers. In the interim, Kelly Carr and team will keep the sales efforts moving forward.

### **General Updates**

Nancy Thome reported that the public hearing, which is the final step for the TID Conversion, is scheduled for May 25. If approved, the new assessment of 1.5% will be effective July 1. There is a section in the Management District Plan that outlines penalties and interest for late assessment

submission – where there has been none in the past. Feedback from the hotels indicated that a quarterly submission of the assessment with the TOT, for the first year of implementation is reasonable and frequency can be revisited for year 2. Any of the hotels who wish to submit monthly or more frequent than quarterly can do so.

Jon Siebring reported that they have not completed renovations yet. September 1<sup>st</sup> is the expected opening.

Peter Hart asked if the DMO has any involvement with Visit California. Dan Fenton indicated he would do some research on potential DMO involvement.

Joe Eustice reported the Hilton is targeting a September 1<sup>st</sup> reopening date and is still currently helping out in Florida.

### **Adjournment**

The meeting adjourned at 9:05 a.m. The next regular scheduled meeting is on June 17, 2021 at 8:00 a.m.

DRAFT



# Santa Clara Convention Center

## Monthly Sales Progress Report

April 2021



# Monthly Sales Meeting Agenda



## Discussion Topics:

- Simpliview reporting status
  - Prepared for May or June month end?
- Review monthly sales report
  - Prospect activity
  - Tentative conversion
  - Definite conversion
  - Pace to budget
  - Pace to booking goals
- Lost Business by reason – new to add into report
- Other items?

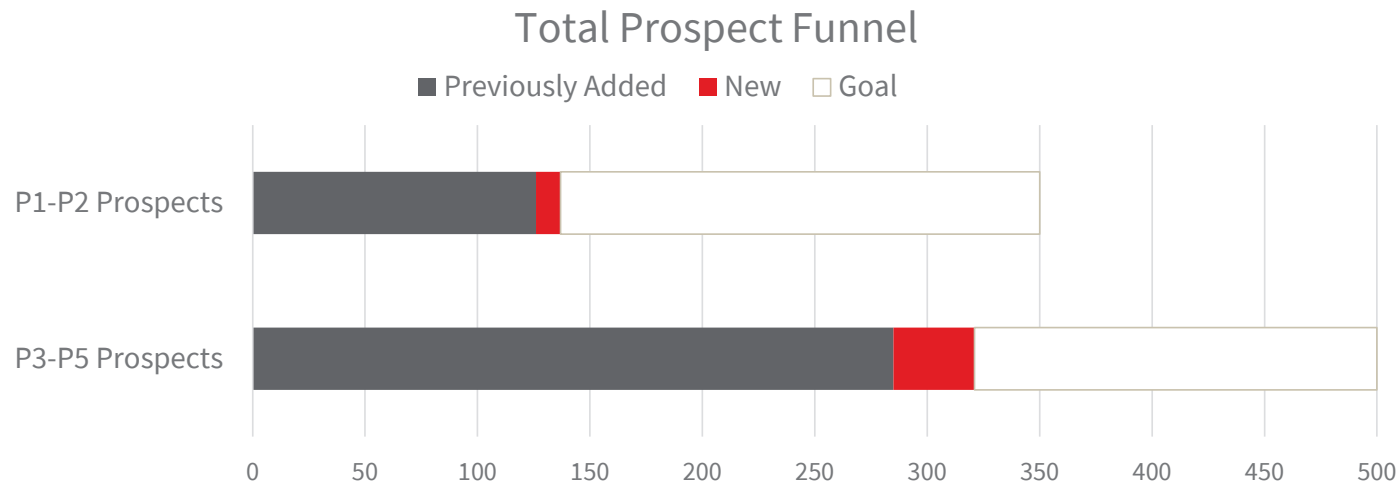


# SCCC Sales Prospects



The sales teams across all partners added **47** new prospects for the SCCC in the month of April.

- There is a goal to add prospects into the sales funnel in the fiscal year for the DMO and SCCC teams.
  - The SCCC teams FY goal is **500**
  - The DMO FY goal is **350**
- The combined sales team was below the monthly goal by **48%** with the SCCC team achieving **87%** and the DMO team achieving **22%**.
- The SCCC sales team added **36** new prospects and has achieved **64%** of the total prospecting goal for the year.
- The DMO sales team added **11** new P1 and P2 prospects last month and has achieved **39%** of the sales goals for the year.



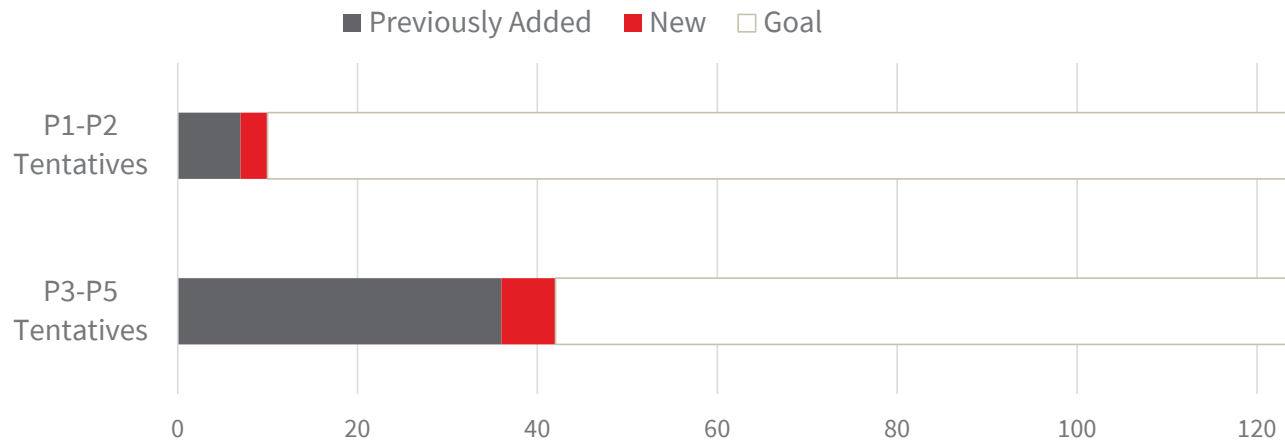
# SCCC Sales Tentative Events



The sales teams across all partners added **5** new tentative events for the SCCC in the month of April.

- There is a goal to achieve **125** tentative events in the fiscal year for each team, which equates to **10** total tentative events per month per team.
- The DMO sales team added **2** P1 & P2 tentatives this month achieving **8%** of the goal for the year.
- The SCCC sales team added **10** new tentatives **34%** of the total tentative goal for the year.
- The conversion rate from prospect to tentative YTD is just under **10%**.
- There was **1** new definite booked this month.

### Total Tentatives Funnel



# FY Budget Events (consumed in these FY)



Notes on changes:

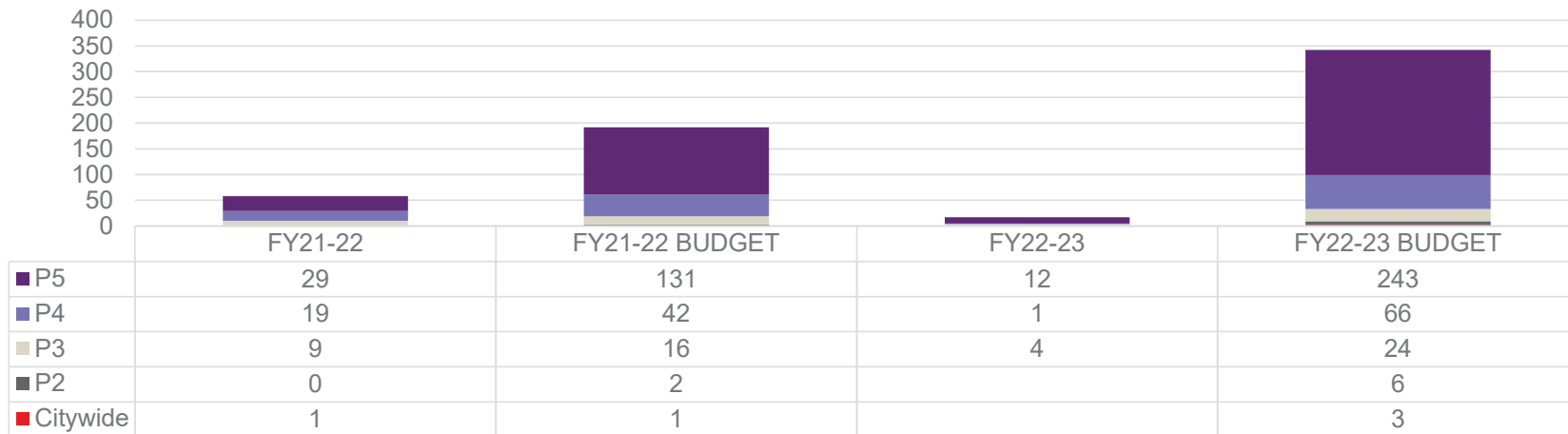
Initial goals set mid December 2020 with assumption of SCCC opening April 1, 2021.

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

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

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

FY Consumed Budget Events



# 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

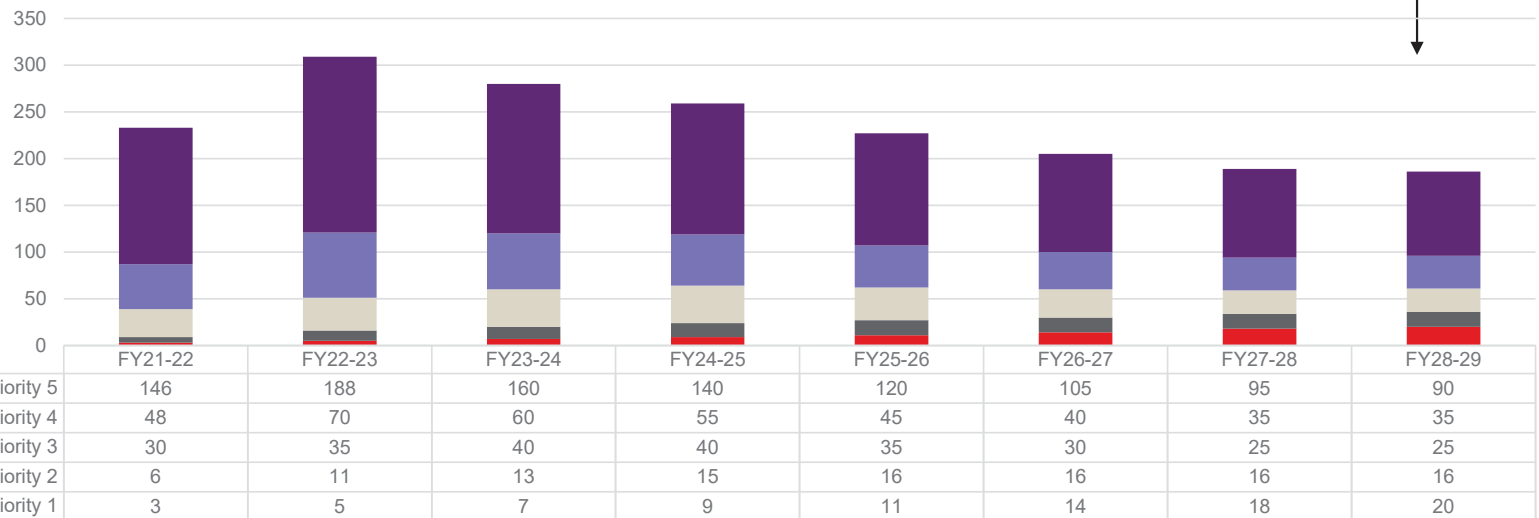


EXHIBIT A

**ARTICLE III – MEMBERSHIP**

**Section 1. Classes of Membership.** There shall be two classes of memberships in the Corporation, designated as “Regular Memberships” and “Associate Memberships,” and collectively are referred to sometimes as “Memberships.” Members who hold Regular Memberships are referred to as “Regular Members” and members who hold Associate Memberships are referred to as “Associate Members,” and collectively Regular Members and Associate Members are referred to sometimes as “Members.” The Regular Members of the Corporation shall be the directors appointed or elected to the Board. The Associate Members of the Corporation shall be all lodging businesses located within the boundaries of the TID, whether presently existing or at any time in the future so located, that pay the benefit assessment fee levied by the City on participating businesses within the TID boundaries, and all other businesses participating in the TID that pay such benefit assessment fee levied by the City (individually, such lodging business is referred to as a “TID Participating Lodging Business” and collectively referred to as the “TID Participating Lodging Businesses”). The Board may authorize other classifications of membership in the Corporation by amendment of the Bylaws. The Corporation shall not be required to issue membership certificates to evidence membership in the Corporation and the failure to issue membership certificates shall not effect membership status of any Member as provided under these Bylaws. Neither the memberships in the Corporation, nor any right, title or interest therein, may be assigned, encumbered, transferred or disposed of in any respect.

**Section 2. Regular Membership.** On the effective date of each director of the Corporation being appointed or elected to the Board, such director will be admitted to membership in the Corporation, will be deemed to hold a Regular Membership, and will become a Regular Member without any further action by the Corporation, any of its members, or such director. Each director will hold a Regular Membership and will remain a Regular Member until the effective date of such director’s resignation, removal or expiration of such director’s term and such director not being re-elected to serve an additional term. Notwithstanding anything contained in Section 7341 of the CNMBL to the contrary, no notice of membership termination will need to be given to any director whose term expires (and is not re-elected) to effect the termination of such director’s Regular Membership, it being acknowledged by each director, by virtue of each director serving as member of the Board, that such director will be deemed to have resigned such Regular Membership effective as of the expiration of that director’s term, and it is further acknowledged that the foregoing membership resignation and termination upon expiration of the director’s term is a procedure that is fair and reasonable for all purposes under Section 7341 of the CNMBL. By virtue of holding a Regular Membership, each Regular Member shall have all the rights, preferences, privileges, restrictions and conditions of a member of the Corporation under the CNMBL, these Bylaws and any other applicable law. Without limiting the foregoing, each Regular Member shall have the right to vote (i) for the election of directors to the Board, (ii) on a disposition of all or substantially all of the assets of the Corporation, (iii) on a merger involving the Corporation, (iv) on a dissolution of the Corporation, or (v) on changes to the Articles of Incorporation or Bylaws of the Corporation. Any regular meeting of the Board will be deemed to satisfy the annual membership meeting for all purposes under Section 7510 of the CNMBL.

**Section 3. Associate Membership.** Each TID Participating Lodging Business that pays the benefit assessment fee levied by the City will be admitted to membership in the Corporation, will be deemed to hold an Associate Membership, and will become an Associate Member upon the payment in full of such benefit assessment fee, without any further action by the Corporation, any of its members, or such TID Participating Lodging Business. Each TID Participating Lodging Business will hold an Associate Membership and will remain an Associate Member until such TID Participating Lodging Business is no longer a TID Participating Lodging Business. Notwithstanding anything contained in Section 7341 of the CNMBL to the contrary, no notice of membership termination will need to be given to any TID Participating Lodging Business that is no longer a TID Participating Lodging Business to effect the termination of such business's Associate Membership, it being acknowledged by each TID Participating Lodging Business that, by becoming a TID Participating Lodging Business, it will be deemed to have resigned such Associate Membership effective as of the date such TID Participating Lodging Business is no longer a TID Participating Lodging Business, and it is further acknowledged that the foregoing membership resignation and termination of any Associate Membership held by any TID Participating Lodging Business is a procedure that is fair and reasonable for all purposes under Section 7341 of the CNMBL. By virtue of holding an Associate Membership, each Associate Member shall have the right to provide input to the Board on the Corporation's annual plan, including goals and budget matters, in the manner determined by the Board in its sole and absolute discretion, and will receive such benefits of being an Associate Member as the Board may determine from time to time (including by way of example only, being listed on the Corporation's website with a link to the Associate Member's website), and shall have no other rights, preferences or privileges of a member of the Corporation of any kind whatsoever under the CNMBL, these Bylaws and any other applicable law, including without limitation, no right to vote on (i) any matters involving the Corporation (including any of the voting rights of a Regular Member) or (ii) any action which would otherwise require approval by a majority of all members under the CNMBL, these Bylaws and any other applicable law. Each Associate Member shall designate a single individual to be the authorized designee representative of such Associate Member for the purpose of providing input to the Board with respect to the Corporation's annual plan as set forth above, and to otherwise represent and act in the name of and on behalf of the Associate Member in any such manner as may be requested by the Corporation from time to time. The Corporation shall be entitled to rely solely on the information and actions of such authorized designee representative of such Associate Member for all purposes. For the avoidance of doubt, nothing under this Section 3 setting forth the rights of Associate Membership shall be construed to restrict, limit or otherwise adversely affect in any manner (x) any rights, authorities or responsibilities of (A) the TID Advisory Board established by the City to administer the affairs of the TID, or (B) the members of the TID Advisory Board appointed by the City Council to be representatives of the TID Participating Lodging Businesses to make recommendations to the City Council regarding the expenditure of revenues derived from the levy of assessments, on the classification of businesses, as applicable, and on the method and basis of levying the assessments, or (y) the right of the City Council to appoint members of the Advisory Board. In addition, the rights provided to the Associate Members under this Section 3 shall not otherwise restrict or limit any contractual or other rights that TID Participating Lodging Businesses may otherwise have under any agreement between the City and the Corporation or under resolutions adopted by the City Council to establish the TID or by virtue of being a business located within the boundaries of the TID.

**Confluent SKO 2022 (Feb. 6-10, 2022)**

- Needed 4,006 total rooms (1,028 rooms on peak)
  - Hotel ADR range is \$299 - \$309
  - Building total rent was \$137K (*with a catering credit towards rental*)
  - Hotel is also offering additional meeting spaces (*no rental with an identified minimum f/b spend*)
- Client's feedback was that Santa Clara is out of their budget. They are looking for minimal space rental (zero ideally) and under \$200 for hotel rooms. They are now pursuing other cities in Texas, Florida, Tennessee and Nevada.

**Applied Materials 2022 FTC (Mar. 25-Apr. 1, 2022)**

- Needed 3,825 total rooms (800 rooms on peak)
  - Client worked directly with two TID hotels on room rates
  - Building total rent was \$137K (*with a catering credit towards rental*)
  - Hotel also proposed meeting spaces
- Client's feedback was that Santa Clara's package price is too high. He mentioned that if we cannot reduce our total rent by 50%, then it's not worth looking at our proposal. They are also looking for zero space rental or \$65K at most. Hotel room rates are also high. He mentioned that they are most likely going with San Jose Conv. Ctr. as their package price is more competitive than ours.

**VmWare 2022 (June 10-17, 2022)**

- Needed 6,232 total rooms (1,409 rooms on peak)
  - Elaine worked with previous DMO Sales Manager to bid on this business
  - Building total rent was \$200K (*with a catering credit towards rental*)
  - Not sure what the hotel room rates were as previous DMO Sales Manager was spearheading the hotel portion
- Client's feedback was that their leadership would like to stay in San Francisco area as they have more competitive rates and overall cost is less than Santa Clara.





# *Santa Clara Convention Center*

## **Monthly Sales Progress Report**

**May 2021**





# Monthly Sales Meeting Agenda



## Discussion Topics:

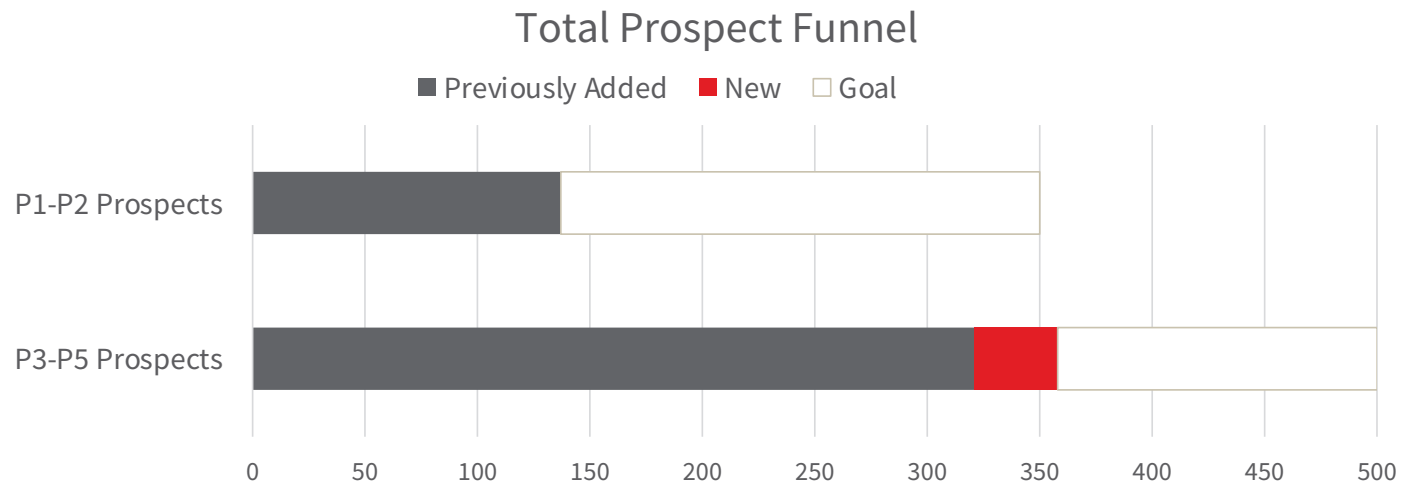
- Simpliview reporting status
  - Automated reports for June
- Review monthly sales report
  - Prospect activity
  - Tentative conversion
  - Definite conversion
  - Pace to budget
  - Pace to booking goals
- Lost Business by reason – new to add into report
- Other items?

# SCCC Sales Prospects



The sales teams across all partners added **37** new prospects for the SCCC in the month of May.

- There is a goal to add prospects into the sales funnel in the fiscal year for the DMO and SCCC teams.
  - The SCCC teams FY goal is **500**
  - The DMO FY goal is **350**
- The SCCC team achieved **72%** of its annual goal
- The DMO team has achieved **39%** of its annual goal

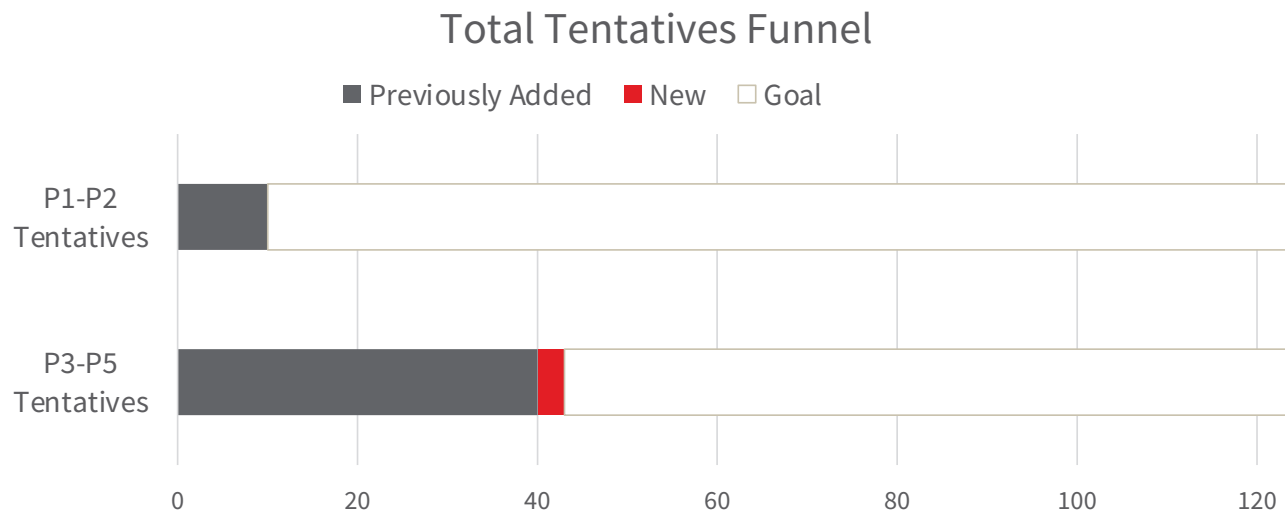


# SCCC Sales Tentative Events



The sales teams across all partners added 3 new tentative events for the SCCC in the month of May.

- There is a goal to achieve 125 tentative events in the fiscal year for each team, which equates to 10 total tentative events per month per team.
- The SCCC sales team added 3 new tentatives 34% of the total tentative goal for the year.
- The conversion rate from prospect to tentative YTD is just under 10%.
- There was 4 new definites booked this month.



# FY Budget Events (consumed in these FY)



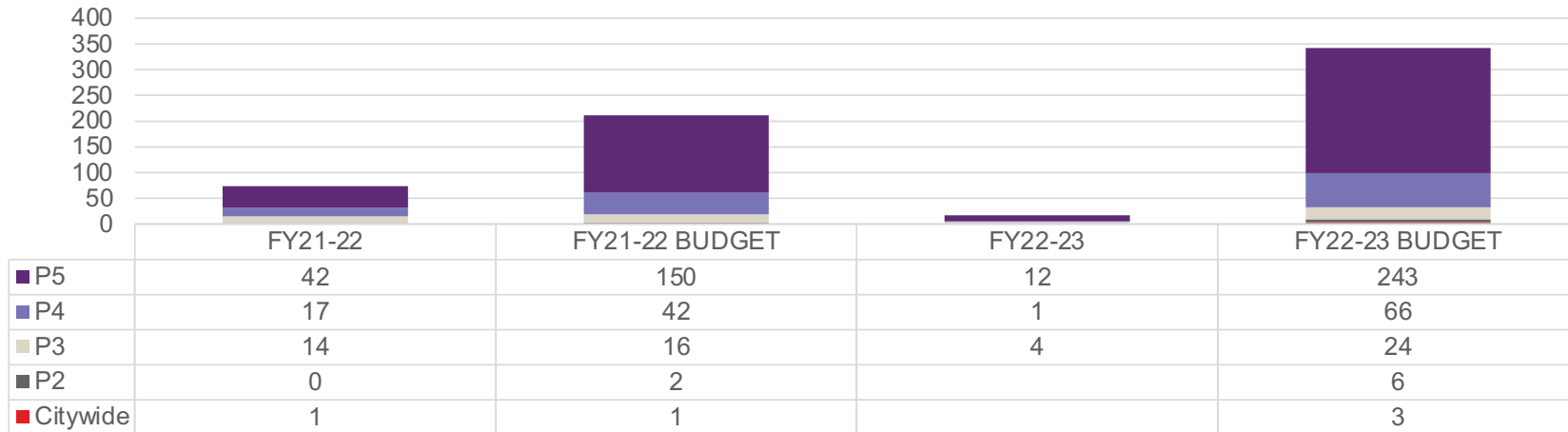
Notes on changes:

Initial goals set mid December 2020 with assumption of SCCC opening April 1, 2021.  
Goals revised March 2021 with new opening date anticipated October 2021.

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

**Business Mix**  
 38% room night generating events FY21-22 Budget  
 38% Room nights generating events FY22-23 Budget

FY Consumed Budget Events



# 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

