



City of Prescott

Tourism Advisory Committee

July 17, 2024 | 11:00 AM
201 N. Montezuma Street
Council Chambers, 3rd Floor
Prescott, AZ 86301

AGENDA

The following Agenda will be considered by the **Tourism Advisory Committee** at their meetings to be held **July 17, 2024**. Notice of this meeting is given pursuant to Arizona Revised Statutes, Section 38-431.02.

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **DISCUSSION & ACTION ITEMS**
 - A. Approval of the June 12, 2024 Meeting Minutes.
Recommended Action: MOVE to approve minutes as presented
 - B. Presentation & Discussion Regarding the Role of the Tourism Advisory Committee (TAC) as it Relates to Transient Occupancy (Bed) Tax.
Recommended Action: This item is for discussion only. No formal action will be taken.
 - C. Presentation & Discussion Regarding the Downtown Beautification Contract.
Recommended Action: MOVE to recommend forwarding the contract as presented to Council for approval
4. **UPDATES**
 - A. Staff Announcements
 - B. Committee Member Announcements.
5. **ADJOURNMENT**

Upon a public majority vote of a quorum of the Board, the Board may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the following purposes:

- (1) Discussion or consideration of personnel matters (A.R.S. §38-431.03(A)(1));
- (2) Discussion or consideration of records exempt by law (A.R.S. §38-431.03(A)(2));
- (3) Discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03(A)(3));
- (4) Discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid litigation (A.R.S. § 38-431.03(A)(4));

- (5) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03(A)(5));
- (6) Discussion, consultation or consideration for negotiations by the city or its designated representatives with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city (A.R.S. §38-431.03(A)(6));
- (7) Discussion or consultation with designated representatives of the city to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03(A)(7)).

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Prescott City Hall on 7/11/24 at 9:00 a.m. in accordance with the statement filed by the Prescott City Council with the City Clerk.



Sarah M. Siep, City Clerk



TO: MAYOR AND CITY COUNCIL
AGENDA: July 17 TAC Meeting
DATE: July 17, 2024
DEPT: Tourism
ITEM #: 3.A
SUBJECT: Approval of the June 12, 2024 Meeting Minutes.

ITEM SUMMARY

This item is for the approval of minutes from the June 12, 2024 TAC meeting. Staff recommends approval of the minutes as presented.

BACKGROUND

None.

FINANCIAL IMPACT

None.

RECOMMENDED ACTION

MOVE to approve minutes as presented

ATTACHMENTS

1. June 12, 2024 TAC Minutes



City of Prescott

Tourism Advisory Committee

June 12, 2024 | 11:00 AM
201 N Montezuma Street
Council Chambers, 3rd Floor
Prescott, AZ 86301

MINUTES

1. CALL TO ORDER

Chairman Christensen called the meeting to order at 11:00 a.m.

2. ROLL CALL

Margo Christensen - Chair
Steve Bracety - Member
Matt Brassard - Member
Robert Coombs - Member
Jim Dawson - Member
Dennis Gallagher - Member
Edd Kellerman - Member
Autumn Kline - Member
Ken Leja - Member, Excused
Linda Nichols - Member

3. DISCUSSION & ACTION ITEMS

A. Welcome New City Staff Members.

New Airport Director, Rick Crider, introduced himself to the Committee, and expressed that he is excited for collaboration and upcoming projects.

Councilmember Fruhwirth and New City Manager, Dallin Kimble, arrived at 11:28 a.m. Mr. Kimble introduced himself to the Committee and commented that he is looking forward to more involvement with the Committee and is also excited about what is to come.

B. Approval of April 24, 2024, Tourism Advisory Committee Meeting Minutes.

MOTION BY MEMBER NICHOLS TO APPROVE THE MINUTES AS PRESENTED; MOTION SECONDED BY MEMBER BRASSARD: PASSED (9 - 0)

C. Discussion Regarding the August Meeting Date.

Tourism Manager, Cristina Binkley, provided an update affecting the current Committee meeting schedule. The City Council will have a reduced summer schedule during the months of July and August. There will be one meeting each month, and Council will resume the normal cycle of meetings twice a month starting in September. All City operations will continue as scheduled.

The Committee's September and October meeting agendas may, therefore, be fairly full. There may be a special meeting between now and September, however, to discuss grants. Staff will keep the Committee members informed.

This item was for discussion only. No formal action took place.

D. Presentation & Discussion Regarding "DATAFY" from Front Burner Media.

Ms. Binkley introduced Heather Herman with Front Burner Media, who shared a presentation on DATAFY. Tourism has purchased the new software to review visitor spending, visitor volume with length of stay, yearly comparisons, top markets, top spending, and a multitude of other reporting options. The presentation covered the Experience Prescott data and analytics, from January 2023 through March 2024.

Ms. Herman provided a brief description of the program, and the valuable insight gained from real-time visitor data compilation. Advertising strategies and marketing efforts can then be optimized for better results.

The program is not a people counter, according to Ms. Herman, but rather an aid that helps identify an audience. At the airport, for example, the only way to get an exact number would be a turn style. DATAFY cannot capture every device, as some are set to block geo-location tracking. Today's presentation covers 50 miles of travel area and reflects an average stay length of two days. She explained that the density map and daily visitor trends in the presentation outlined where visitors are traveling from, possible emerging markets, and where 2024 is trending. Thus far, numbers are slightly lower than at this time last year.

Ms. Herman continued, and explained the visitation portion of the presentation, broken down by city, state, and designated marketing areas (DMA). Options for geo-fencing can be added, to capture visitor activity in external attractions outside the area. For example, a large number of Prescott visitors travel to the Grand Canyon as well.

Member Dawson inquired about the types of trips. Ms. Herman and Ms. Binkley clarified day trip data versus overnight stays. There are current marketing efforts to improve overnight stays, as there is too much to see in one day for the average visitor. It is always a goal to turn a day trip into an overnight trip.

Member Nichols inquired about cost being a factor. Ms. Herman agreed that it can be a factor, however, the price point in the area is attractive compared to surrounding areas.

Ms. Herman concluded her presentation and explained that the data gathered is a huge benefit to making future decisions. Year to date 2024, the arts, entertainment and recreation categories are going well. Dining and lodging are exceeding 2023. She added that during the next meeting, she aims to provide a more detailed report with additional content. The Arizona Office of Tourism Cooperative Marketing program will be available soon, with opportunities and a variety of offerings that include research, strategy, content creation, custom programs, and more.

This item was for discussion only. No formal action took place.

E. Presentation & Discussion Regarding the 2025 Fiscal Year Budget for the Office of Tourism.

Ms. Binkley referred to the DATAFY presentation, the benefits it can provide for decision making, and how budget ties in to support those decisions. The proposed 2025 Fiscal Year (FY25) Tourism Budget was presented to the Committee. Ms. Binkley reviewed the elements, starting with Bed Tax Collections. Data supports a steady increase since 2021, and so far, numbers are on track to hit 1.6 million again. Taxable Activity was reviewed next, for retail sales.

Member Nichols asked if this Committee attempts to attract new businesses when an existing retailer goes out of business.

Ms. Binkley responded no, there is no active retail recruitment program yet, however, it is part of the Strategic Plan alongside Council goals.

Financial highlights were reviewed and record high profits and conservative spending for the past couple of years has allowed for a \$302,789 increase in the overall budget. The financial categories were described, including that half of the budget is for department operating costs. The other half goes to community support, which is projected to be approximately \$535,000.

Visitors generate an estimated \$4 million in annual city sales tax revenue, according to Ms. Binkley. To put that into perspective, that is enough to support the annual salaries of 22 police officers or 23 firefighters, half the cost of a new fire station, annual maintenance of 856 acres of parks and open space, annual maintenance of 222 miles of streets, one and a half years of citywide library operations, or the purchase of 25 acres for the development of Granite Dells Gateway Park.

Ms. Binkley discussed how to increase bed tax. Compared with municipalities that can fill to capacity with tourists, Prescott cannot as easily. The goal is to find ways to accommodate the same number of tourists but double the revenue. Some, but not all, options include more properties and short term rentals, increased event attendance, and adjusting the bed tax percentage rate. The impacts for each were debated.

To conclude, Ms. Binkley shared that today's presentation was to provide a transparent picture, with goals and planning in mind. She invited questions and comments from the Committee.

Chair Christensen commented on an increase of bed tax percentage, and it being unfortunate that the issue cannot be pushed through on a government level.

Ms. Binkley explained that Prescott is a Charter City, and such an increase would need to go to vote. She thanked the Committee for the time and consideration with today's discussion.

This item was for discussion only. No formal action took place.

4. STAFF UPDATES

A. Presentation & Discussion Regarding Changes to Tourism Grants & Contracts.

Ms. Binkley provided a brief update regarding tourism grants and contracts. Many of the contracts within the Tourism office consist of memorandums of understanding, and/or verbal contracts. Bed tax falls into a special grant funding category, and procurement guidelines are slightly different. Contracts are being reviewed, with 31 contracts to go before Council in July. Annual contract review, related to grants or otherwise, provides efficiency going forward.

This item was for discussion only. No formal action took place.

B. Committee Member Updates.

Committee members and Council Member Fruhwirth provided updates to the Committee. There were no additional questions that followed.

C. Staff Announcements

Airport Department Activities

Airport Services Manager, Christina Papa, provided an airport update to the Committee. To date, there have been 7,990 boardings this year, which is 142 more than this time last year. Construction for the rating condition on runways and taxiways is anticipated to include night closures. The project will be completed in phases and occur at the same time as the Strategic Academic Flight Education (SAFE) complex work. On the south ramp, there has been paving and patching done on the Delta taxiway. The areas of D5-D7 will wait until the fire season ends, around mid-September.

Ms. Papa also provided an Essential Air Services (EAS) update. The United States Department of Transportation (USDOT) has agreed to extend the current EAS contract in Prescott through August 31, 2024, or until a new EAS contract has been agreed upon by the City. The current EAS agreement is with United Express, operated by SkyWest Airlines, with daily flights to Los Angeles and to Denver. The city has opted to keep the current service and will continue to book as aircraft are phased out.

Regarding advertising and marketing, numerous entities are interested in advertising on the TVs/monitors within the terminal, according to Ms. Papa. Early FY25 is anticipated, and revenue generation options are under review. Rental vehicle activity with Avis was discussed, looking at a 535 rental total for one month, of which many were for a five day period. Only nine were one way rentals. Expanding rental facilities is still on the horizon, as the area of intent is already included in the layout plan.

Chair Christensen asked if any thoughts or discussion have taken place regarding food and beverage services in the airport terminal.

Ms. Papa confirmed that item is on the list. Now that a new Director is in place, more data can be gathered on the subject. Benefits include improved customer service, especially for those who may experience a long layover. Vending machines, even if to start, would be a viable option.

Economic Development Strategic Plan

Community Outreach Director, John Heiney, provided an update regarding the City's first of its kind strategic plan for economic development. Representatives from Civic Solutions, based in Austin Texas, will be in town June 26-27 for the first phase of their work, which is stakeholder engagement.

They will meet with City Council members, then host a series of roundtable discussions with different stakeholder groups. Tourism staff are reaching out to various groups, such as hospitality businesses and attractions, small and large employers, arts and cultural organizations, and educational institutions, to enlist participants. Following their visit, the firm will conduct one on one calls with stakeholders, in July and early August. They hope to present a completed plan to the Council in late October or early November.

Hotshot Memorial Dedication

Mr. Heiney announced that the Prescott Fire Department and the City of Prescott will host a dedication ceremony for the new Granite Mountain Hotshot Memorial on the Courthouse Plaza, on Sunday, June 30 at 3:45 pm. Chief Holger Durre will be the keynote speaker, with comments accompanied from Mayor Goode, Chairman Brown, and John Marsh representing the families. The artist who created the beautiful piece has also been invited to speak.

Tourism Office Activities

Ms. Binkley shared with the Committee that the content creation team has been on board for about a month, and progress is going very well. A 25 page analytic report on performance was recently completed.

Tourism Group Sales Manager, Mike Kelly, shared that he has been with the Tourism team for about a year, and is looking forward to this summer and new events happening. He is working with the Arizona Interscholastic Association, and the possible new avenue of opportunity. For hotel overflow, Requests for Proposals (RFPs) have been sent to various hotels. Discussed details of the new avenue for opportunity.

This item was for discussion only. No formal action took place.

5. ADJOURNMENT

There being no further business to discuss, Chair Christensen adjourned the meeting at 12:31 p.m.

MARGO CHRISTENSEN, Chair

ATTEST:

MARIKAY WHISENAND, Senior City Clerk Specialist

Date



TO: MAYOR AND CITY COUNCIL
AGENDA: July 17 TAC Meeting
DATE: July 17, 2024
DEPT: Tourism
ITEM #: 3.B
SUBJECT: Presentation & Discussion Regarding the Role of the Tourism Advisory Committee (TAC) as it Relates to Transient Occupancy (Bed) Tax.

ITEM SUMMARY

The role of TAC is to: prepare and recommend to the City Council, a five (5) year Strategic Plan to be used as a guide for future programs; make recommendations to City Staff and the City Council regarding the allocation of the City's transient occupancy tax; support the city's tourism staff on matters of local concern and the promotion of tourism; administer annual grant allocations of the city's transient occupancy tax and make recommendations to the City Council for final grant allocation; and consider any other tourism related matters assigned to it by the City Council. Whereas the establishment of a TAC is in the best interest and promotes the welfare of the citizens of Prescott. The Resolution requires annual reports to the City Council.

BACKGROUND

None.

FINANCIAL IMPACT

None.

RECOMMENDED ACTION

This item is for discussion only. No formal action will be taken.

ATTACHMENTS

1. Standard Operating Procedure for Bed Tax Funds



Standard Operating Procedure (SOP) for Managing Budgeted and Unbudgeted Expenses

1. Purpose

The purpose of this Standard Operating Procedure (SOP) is to ensure that all budgeted and unbudgeted expenses, particularly those involving transient occupancy funds, are reviewed and discussed by the Tourism Advisory Committee (TAC) prior to implementation. This SOP aims to promote transparency, accountability, and effective decision-making within the organization.

2. Scope

This SOP applies to all staff members responsible for managing and overseeing budgeted and unbudgeted expenses, including capital projects and requests from other departments, regardless of the dollar amount.

3. Procedure

3.1 Submission of Expenses to TAC

- a. **Identification of Expenses:** Staff members shall identify budgeted and unbudgeted expenses that fall under their purview, including capital projects and requests from other departments.
- b. **Preparation of Documentation:** For each identified expense, staff members shall prepare documentation that includes the nature of the expense, cost estimates, potential impact, and any supporting materials.
- c. **Submission to TAC:** Staff members shall submit the prepared documentation to the Tourism Advisory Committee (TAC) for discussion and recommendation. This submission should be made in a timely manner to allow for appropriate review by TAC members.

3.2 Review and Recommendation by TAC

- a. **Discussion:** TAC members will review the submitted documentation during scheduled meetings. The committee will discuss the proposed expenses, considering factors such as budget constraints, strategic priorities, and potential benefits to the tourism sector and the overall impact to the destination.
- b. **Recommendation:** Based on the discussion, TAC will provide recommendations regarding the proposed expenses. These recommendations may include approval, modification, or rejection of the expenses, with the understanding that the City Council has the final authority to direct staff as they see fit.

3.3 Exceptional Circumstances

Experience Prescott

OFFICE OF TOURISM

a. **Timing or Leadership Directive:** In instances where timing constraints or directives from leadership necessitate circumventing the preferred process, staff members should strive to adhere to the following protocol:

b. **Notification to TAC:** Staff members shall notify TAC members of the use of transient occupancy funds via email or at the next available TAC meeting. This notification should include an explanation of the circumstances and the rationale behind the expenditure.

4. Responsibilities

a. **Staff Members:** Responsible for identifying, documenting, and submitting budgeted and unbudgeted expenses to TAC, as well as notifying TAC of any exceptional circumstances.

b. **Tourism Advisory Committee:** Responsible for reviewing submitted expenses, engaging in discussions, and providing recommendations to ensure effective use of funds.

5. Documentation and Records

All documentation related to budgeted and unbudgeted expenses, including TAC recommendations and notifications of exceptional circumstances, shall be maintained in an organized and accessible manner for future reference and auditing purposes.

6. Review and Revision

This SOP will be reviewed periodically to ensure its effectiveness and relevance. Any revisions shall be approved by the Tourism Advisory Committee and communicated to all relevant staff members.

7. Approval

This SOP is approved by the Tourism Advisory Committee and is effective as of [insert date].

Signatures:

[Chairperson, Tourism Advisory Committee]

[Department Head/Manager]



TO: MAYOR AND CITY COUNCIL
AGENDA: July 17 TAC Meeting
DATE: July 17, 2024
DEPT: Tourism
ITEM #: 3.C
SUBJECT: Presentation & Discussion Regarding the
Downtown Beautification Contract.

ITEM SUMMARY

Downtown Beautification is a collaboration between the Office of Tourism and the City of Prescott Public Works Department. The goal is to enhance, improve, and preserve downtown Prescott through community projects focused on streetscapes, landscaping, maintenance, cleaning, and esthetics.

BACKGROUND

The Public Works Department is looking to add an expanded scope of services to an existing contract to facilitate the requests set forth by the Office of Tourism. This contract will replace the one city staff member currently maintaining the downtown area. Services include porter, vacuum, sweeping, and pressure washing.

FINANCIAL IMPACT

The financial impact is \$123,435.00 to be taken from the transient occupancy fund balance.

RECOMMENDED ACTION

MOVE to recommend forwarding the contract as presented to Council for approval

ATTACHMENTS

1. COP Letter 6.14.24 (003)



June 13, 2024

City of Prescott Public Works

RE: Annual Pricing of Downtown Prescott Cleaning Services (ZONE 1)

This letter is to confirm annual pricing for services provided to the City of Prescott by Swept Away AZ, LLC. Below you will see an outline of services and pricing as well as hourly charges for additional requested services. Estimate 183038 dated 5/22/2024 provides additional details regarding scope of work for each service.

Porter Services will be provided from January to December for an annual price of \$58,545.00

Vacuum Sweeping Services will be provided from January to December for an annual price of \$36,540.00

Pressure Washing Services will be provided from April to October for an annual price of \$28,350.00

Total Annual Pricing for contracted services would be **\$123,435.00**. Swept Away will invoice at the end of each month for services provided that month.

If the City of Prescott requests additional services outside the contracted scope of work pricing is as follows.

Additional Porter Services can be provided for \$710.00 per service. Please reference Estimate 183038 for details on scope of work to be provided.

Additional Pressure Washing Services can be provided for \$275.00 per service. Please reference Estimate 18308 for details on scope of work to be provided.

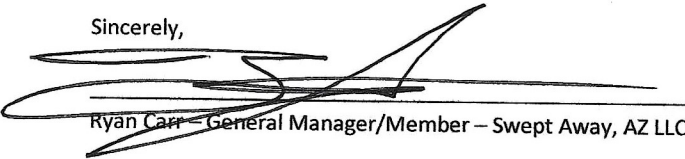
Additional Pressure Washing Services to the alley behind Whiskey Row can be provided at \$125 per trailer hour with a 6 hour billed minimum per call out. Please reference Estimate 18308 for details on scope of work to be provided.

Swept Away will provide it's own needed materials, equipment, tools and supplies including water for all scopes of work.

City of Prescott will supply dumpsters and take care of the routine dumping of trash as needed. Swept Away will provide it's own locks for these dumpsters. Dumpsters will be located at the Transfer Station on Sundog Ranch Road and Swept Away will have a code to be able to access them 24/7. At this point 2 dumpsters should be adequate and the frequency for them to be dumped should be Monday end of day, Wednesday end of day and Saturday end of day. This may need to be adjusted depending on true need.

We look forward to partnering with the City of Prescott in maintaining our *Beautiful Historic Downtown*.

Sincerely,


Ryan Carr – General Manager/Member – Swept Away, AZ LLC

Swept Away AZ, LLC – 8252 E Long Mesa Dr #A – Prescott Valley, AZ 86314
928-775-0405 –phone/fax



TO: MAYOR AND CITY COUNCIL
AGENDA: July 17 TAC Meeting
DATE: July 17, 2024
DEPT: Tourism
ITEM #: 4.A
SUBJECT: Staff Announcements

ITEM SUMMARY

Group Sales & Marketing - Mike Kelly
Tourism Manager - Cristina Binkley
Community Outreach Director - John Heiney

BACKGROUND

None.

FINANCIAL IMPACT

None.

RECOMMENDED ACTION

This item is for discussion only. No formal action will be taken.

ATTACHMENTS

None



TO: MAYOR AND CITY COUNCIL
AGENDA: July 17 TAC Meeting
DATE: July 17, 2024
DEPT: Tourism
ITEM #: 4.B
SUBJECT: Committee Member Announcements.

ITEM SUMMARY

Committee members will provide updates to staff.

BACKGROUND

None.

FINANCIAL IMPACT

None.

RECOMMENDED ACTION

This item is for discussion only. No formal action will be taken.

ATTACHMENTS

None