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**City of Sedona – Sedona Chamber of  
Commerce & Tourism Bureau**  
*FY 2023 Work Group Recommendations*



# Work Group Background

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- **Work group created during the City Council Annual Retreat in January 2022**
  - Councilor Kathy Kinsella
  - Councilor Tom Lamkin
  - Councilor Holli Ploog
- **Staff liaisons**
  - Karen Osburn, City Manager
  - Megan McRae, Assistant to the City Manager



# Work Group Goals

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- **Conduct a deep dive into the City – SCC&TB contracted services**
  - Organizational structure, budget and funding sources
  - Functions of the Chamber vs Tourism Bureau
  - Review recent accomplishments
  - Evaluate progress of Sustainable Tourism Plan
  - Review preliminary proposed work program from January 26 work session
  - Formulate recommendations for the FY23 budget and work plan
  - Review contractual agreement between the City and the SCC&TB



# Work Group Process

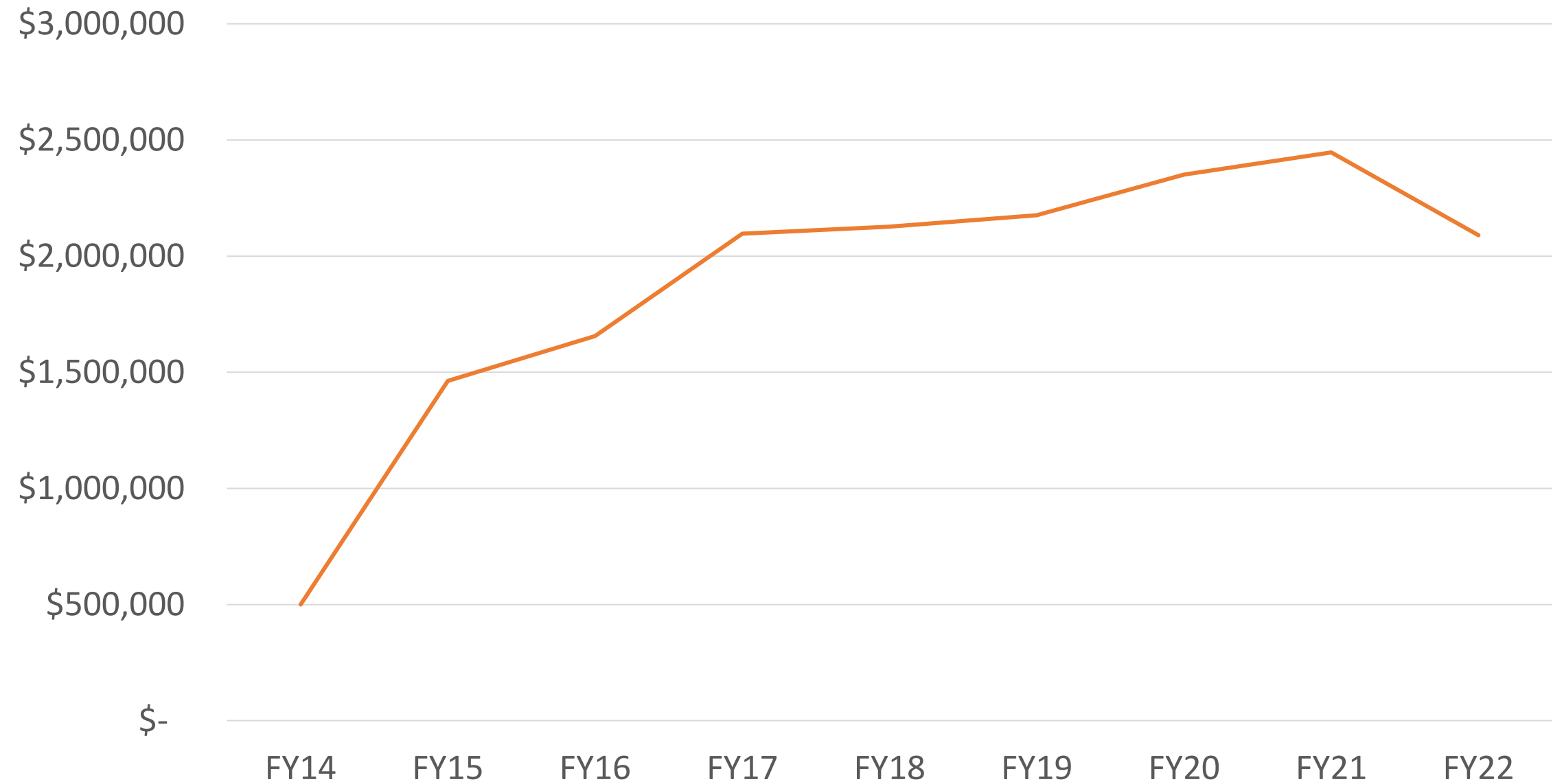
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- Review of eight historical agreements from FY 2008 to current agreement
- Review of FY 2022 line-item organizational budget and YTD progress
- Five internal meetings with City Manager and Assistant to the City Manager
- Three joint meetings with representatives from SCC&TB
  - Al Comello, Board Chair
  - Jennifer Perry, Board Vice Chair
  - Candace Carr Strauss, former President and CEO
  - Michelle Conway, current Interim President and CEO
  - Gary Stewart, Director of Finance



# SCC&TB Funding History

	Contract Amount	
FY14	\$	500,000
FY15	\$	1,462,609
FY16	\$	1,656,234
FY17	\$	2,096,450
FY18	\$	2,126,400
FY19	\$	2,176,400
FY20	\$	2,350,895
FY21	\$	2,446,060
FY22	\$	2,089,720



# Work Group Budget Recommendation

SCC&TB Budget Category	Budget FY22	Proposed FY23
Quality of Tourism Economy Programs	\$ 615,473.00	\$307,736.50
Quality of Visitor Experience	\$ 62,000.00	\$15,000.00
Quality of Environmental Programs	\$ 312,250.00	\$40,000.00
Quality of Life Programs	\$ 148,550.00	\$40,000.00
Visitor Information Center (VIC)	\$ 520,178.00	\$545,178.00
Operations (Tourism Bureau)	\$ 581,269.00	\$581,269.00
<b>Total:</b>	<b>\$ 2,239,720.00 *</b>	<b>\$1,529,183.50</b>

\* Includes \$150,000 carryover from FY21.



# General Recommendations

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- Continue marketing pause.
- For purposes of the SCC&TB proposed FY23 scope of work, marketing means paid or unpaid programs or activities designed to increase tourism, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting tourists.
- The workgroup recommends that city funding be used for marketing efforts focused on educational communication on environmental stewardship for in-market visitors, not for soliciting new visitation.
  - Freeze production of anything that promotes Sedona outside of Sedona.
  - Only message to those already in or booked to come to the Sedona market.
  - Continue to be responsive to incoming inquiries.



# General Recommendations

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- Eliminate passthroughs.
- Eliminate carryovers. Projects currently underway should be completed in FY22.
- All FY21 carryovers were one-time and should not be carried over again.
- All unspent funds for FY22 should be returned to the City. (Numerous programs and projects have not and/or will not be completed in FY22.)





# General Recommendations

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- It is the city manager's recommendation that the existing work group continue to work with staff to revise the latest iteration of the agreement between the City and SCC&TB (2017 version amended in 2019) for FY23. Revise contract language including, but not limited to:
  - Remove 55% reference (as per ordinances).
  - Reevaluate term and incorporate definitive end date.
  - Incorporate Sustainable Tourism Plan metrics and language.
  - Update sections to reflect changes to required activities that have occurred since 2017.
  - Establish Key Performance Indicators (KPIs) and update metric reporting section to align with current work plan objectives.
  - Other updates as needed.



# General Recommendations

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- SCC&TB should leverage relationships to educate lodging and business communities on how to accelerate and increase the use of transit
  - Verde Shuttle (targeting commuter workers)
  - Sedona Shuttle (targeting visitor use of trailhead transportation)



# General Recommendations

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- Define objectives and establish KPIs related to those objectives.
- Propose template for reporting and frequency of update meetings/reports to City Council.
- Appoint City Council/SCC&TB liaison.



