

# AGENDA



# 1:00 P.M.

CITY COUNCIL SPECIAL MEETING

WEDNESDAY, JANUARY 11, 2023

## NOTES:

- No disruptive behavior or profane language will be allowed.
- City Council Meeting Agenda Packets are available on the City's website at:

[www.SedonaAZ.gov](http://www.SedonaAZ.gov)

## 1. CALL TO ORDER

## 2. ROLL CALL

## 3. SPECIAL BUSINESS

LINK TO DOCUMENT =

- a. AB 2904 **Presentation/discussion/possible direction** as part of the annual joint planning meeting between the City of Sedona and the Chamber of Commerce and Tourism Bureau (SCC&TB) to include discussion of the future relationship between the two organizations and the preliminary consideration of FY24 contracted services and associated budgetary implications.

## 4. EXECUTIVE SESSION

Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

- a. To consult with legal counsel for advice regarding matters listed on this agenda per A.R.S. § 38-431.03(A)(3).
- b. Return to open session. Discussion/possible action regarding executive session items.

## 5. ADJOURNMENT

Posted: 01/05/2023

By: DJ

JoAnne Cook, CMC

City Clerk

Note: Pursuant to A.R.S. § 38-431.02(B) notice is hereby given to the members of the City Council and to the general public that the Council will hold the above open meeting. Members of the City Council will attend either in person or by telephone, video, or internet communications. The Council may vote to go into executive session on any agenda item, pursuant to A.R.S. § 38-431.03(A)(3) and (4) for discussion and consultation for legal advice with the City Attorney. Because various other commissions, committees and/or boards may speak at Council meetings, notice is also given that four or more members of these other City commissions, boards, or committees may be in attendance.

A copy of the packet with material relating to the agenda items is typically available for review by the public in the Clerk's office after 1:00 p.m. the Thursday prior to the Council meeting and on the City's website at [www.SedonaAZ.gov](http://www.SedonaAZ.gov). The Council Chambers is accessible to people with disabilities, in compliance with the Federal 504 and ADA laws. Those with needs for special typeface print, may request these at the Clerk's Office. All requests should be made **forty-eight hours** prior to the meeting.

COURTYARD BY MARRIOTT, SEDONA MEETING ROOM  
4105 WEST STATE ROUTE 89A, SEDONA, AZ

The mission of the City of Sedona government is to provide exemplary municipal services that are consistent with our values, history, culture and unique beauty.



**CITY COUNCIL  
AGENDA BILL**

**AB 2904  
January 11, 2023  
Special Business**

**Agenda Item: 3a**

**Proposed Action & Subject:** Presentation/discussion/possible direction as part of the annual joint planning meeting between the City of Sedona and the Chamber of Commerce and Tourism Bureau (SCC&TB) to include discussion of the future relationship between the two organizations and the preliminary consideration of FY24 contracted services and associated budgetary implications.

<b>Department</b>	City Manager's Office
<b>Time to Present</b>	1 hour
<b>Total Time for Item</b>	5 hours
<b>Other Council Meetings</b>	March 23, 2022, June 15, 2022, June 29, 2022, November 9, 2022
<b>Exhibits</b>	A. SCC&TB presentation materials

<b>City Attorney Approval</b>	Reviewed 1/3/23 KWC	<b>Expenditure Required</b>	\$ N/A
<b>City Manager's Recommendation</b>	For information, discussion and direction only.	<b>Amount Budgeted</b>	\$ N/A
		Account No. (Description)	
		Finance Approval	<input checked="" type="checkbox"/>

**SUMMARY STATEMENT**

**Background:**

During the Council Retreat in January 2022, much discussion took place regarding the state of tourism, future goals, and the roles of the City and Chamber of Commerce and Tourism Bureau (SCC&TB) moving forward. This resulted in the formation of a work group tasked with taking a "deep dive" look at the Chamber's organizational structure, budget, funding sources, functions of the Chamber vs Tourism Bureau, accomplishments, proposed work program, Sustainable Tourism Plan goals, etc. The recommendations from that work group were presented to the entire City Council on March 23, 2022 and supported by consensus. The work group provided updated recommendations and response to the SCC&TB proposed program of work and budget for FY23 on June 15 and June 29, 2022. The City Council approved the FY23 SCC&TB budget and program of work on June 29, 2022.

On November 9, 2022 the SCC&TB made a presentation on the year-to-date progress towards the activities, programs and projects included in the FY23 work program. Additionally, because the City Council Work Group established in early 2022 (Kinsella, Lamkin, Ploog, Osburn) recommended that the current relationship between the City and the SCC&TB and the SCC&TB's organizational structure should be re-examined prior to the FY24 budget year, that discussion was also initiated on November 9, 2022.

At this annual joint meeting the SCC&TB will provide another update regarding the FY23 work program and accomplishments; report on the "state of tourism" and key performance indicators; report on the progress made towards the implementation of the Sustainable Tourism Plan; and present a proposal to make changes to the current contractual relationship between the City and the SCC&TB to better reflect what was discussed at the November 9, 2022 work session. Council will have an opportunity to react to the information and recommendations provided and to provide direction on how best to move forward in FY2024. The SCC&TB presentation materials for this meeting are included as Exhibit A.

**Climate Action Plan/Sustainability Consistent:** Yes - No - Not Applicable

One of the items in the Climate Action Plan is sustainable tourism outreach, which includes engaging visitors on climate change initiatives and ensure visitors are aware of climate-related policies or actions. The Sustainable Tourism Plan identifies specific objectives towards these goals, some of which are incorporated into the SCC&TB work program for FY23.

**Board/Commission Recommendation:** Applicable - Not Applicable

**Alternative(s):**

## **MOTION**

**I move to:** for discussion and direction only.



# FY23 | **JOINT WORK SESSION**

JANUARY 11, 2023

IN PROUD  
PARTNERSHIP WITH



# TODAY'S AGENDA

-  **SEDONA CHAMBER OF COMMERCE & TOURISM BUREAU**
-  **FUTURE OF CITY OF SEDONA AND SCC&TB**
-  **FY23: YTD STATUS REPORT (JULY – NOVEMBER 2022)**
-  **FY24: PRIORITIES AND PROGRAMS**



# **SEDONA CHAMBER OF COMMERCE & TOURISM BUREAU**

# CATALYST

WE ARE THE SPARK THAT IGNITES  
BUSINESS GROWTH.

# CONVENER

WE CONNECT DYNAMIC PEOPLE  
WHO MAKE THINGS HAPPEN.

# CHAMPION

WE STAND TO BUILD A STRONG,  
THRIVING COMMUNITY.

# IN THE COMMUNITY, FOR THE COMMUNITY

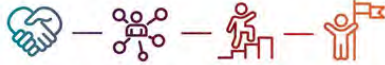
FOR MORE THAN 70 YEARS





# Success Starts Here

The Sedona Chamber of Commerce  
Is Your Advocate, Advisor and Community Connection



More Than 700 Business Leaders Have Said YES to a Sedona Chamber Membership, but Our Best Offer Ends Soon!



### Know somebody who knows somebody who knows somebody

Chamber members meet people they can help and who can help them. It's a top reason hundreds of successful people belong, and you can join them. Get insider CEO messages on hot topics in our weekly newsletter and invitations to networking opportunities.



### Get involved in your community

Our Trail Keepers recently donated \$102,000 to maintain Sedona trails. We sponsor events like our Community Pulse breakfasts and the sold-out International Women's Day luncheon. We excited the Sedona Shuttle trailhead kickoff. Join us for a front row seat at Sedona's big events.



### Have a say in Sedona's sustainable future

The Chamber tackles tough community issues and fearlessly pushes for sustainable tourism solutions. Innovative chamber programs and partnerships address topics such as short-term rentals, off-road vehicles and helicopter noise. As a Chamber member, you can engage on the issues that matter to you.



### Did we mention we're a lot of fun?

From the Tree Lighting Ceremony each December to ribbon cuttings all over town to our popular mixers, we love getting people together to share the joy and responsibility of being contributing members of greater Sedona.



ACT NOW to raise your business profile and save!

Join by May 6 and we will include your business in our 2022/23 guidebooks. Plus, we'll waive the \$30 membership set up fee! Go to [JoinSedonaChamber.com](http://JoinSedonaChamber.com)

Join By May 6!

The Sedona Chamber -  
In the Community. For the Community

SedonaChamber.com | 928.204.1123

The SCCTA is a 501(c)(3) nonprofit membership organization.



# Celebrating REGIONAL PARTNERSHIPS



As we near the halfway mark of the fiscal year, the Sedona Chamber celebrates the work done thus far with our many regional partners. Work that includes the launch of the new Verde Shuttle, making it easier than ever for Cottonwood area residents to get to their jobs in Sedona. In addition, the Sedona Verde Valley Tourism Council, a 20+ year partnership with area chambers and municipalities, continues to share the amazing opportunities throughout the region with our visitors.

### Northern Arizona Regional Mixer

Celebrate the power of partnerships by joining us, the Sedona Chamber of Commerce, along with the Cottonwood Chamber of Commerce and Local First Arizona for a collaborative regional networking event for all businesses from the greater Sedona Verde Valley area.

November's Northern Arizona Business Mixer is hosted by Verde Canyon Railroad, located in Clarkdale.

**When:** Monday, November 15, 2021 • 5:30 – 7:00 p.m.  
**Where:** Verde Canyon Railroad, 300 N Broadway, Clarkdale  
**RSVP:** Go to [SedonaChamberEvents.com](http://SedonaChamberEvents.com)



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In the Community. For the Community

SedonaChamber.com | 928.204.1123

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# STRATEGIES FOR SUCCESS WORKSHOPS

presented by aps

The Sedona Chamber of Commerce & Tourism Bureau offers all Sedona businesses a series of educational workshops that focus on business enhancement and professional development.

Join Us!

### World Class Customer Service Training with Gary Glenn



Specializing in customer service, sales and management training for over three decades, Gary Glenn is an experienced professional trainer who has a thorough understanding of your sales process, having trained thousands of people in a wide variety of industries the world over.

**When:** Wednesday, November 3 • 8:00 - 8:45 a.m.

**Where:** Yavapai College, Sedona Center, Room 29  
4215 Arts Village Dr.

**Cost:** Free

**RSVP:** Register here or [SedonaChamberEvents.com](http://SedonaChamberEvents.com)

For information, contact Erin Bruce, Partner Engagement Manager at 928.204.1123 or [eribruce@sedonachamber.com](mailto:eribruce@sedonachamber.com).

**Note:** To attend the workshop, the Yavapai College policy recommends wearing a mask when entering common spaces of the college building.

Powered by:



U.S. Small Business Administration



The Sedona Chamber -  
In the Community. For the Community

SedonaChamber.com | 928.204.1123

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## FY22 | SCC&TB BY THE NUMBERS

 **736**

Total Partners

 **86**

New Partners

 **88%**

Retention Rate

**50%**

of our partners have  
been partners  
for 10 years or more

**175**

local businesses  
have been partners  
for over 20 years

# SEDONA

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ARIZONA

[VisitSedona.com](http://VisitSedona.com)

- ✔ VISITOR **MANAGEMENT**
- ✔ VISITOR **ATTRACTION**
- ✔ VISITOR **EDUCATION**
- ✔ VISITOR **EXPERIENCE**

## SCC&TB CERTIFICATION

**In 2014, the Sedona Chamber of Commerce & Tourism Bureau was awarded accreditation from the Destination Marketing Accreditation Program (DMAP).** DMAP is an internationally recognized accreditation program developed by the Washington, D.C. based Destinations International (DI). DMAP accreditation standards cover a wide variety of topics from governance and visitor services, to brand management, research/market intelligence and more. The globally recognized DMAP serves as a visible industry distinction that defines quality and performance standards in destination marketing and management. **The SCC&TB is one of fewer than 200 DMOs worldwide with the esteemed accreditation.**



# INHERENT VALUE OF A DMO

**Over 12 months, the SCC&TB has had over 225 media requests documented.**

Television, magazines, digital media, bloggers and social media influencers.

Of the 225, those of significance included publications from the UK, a German film crew, coverage from Good Morning AZ, Utah Style and Design, ABC15, GQ Mexico, Western Art & Architecture, Design Anthology, Travel & Leisure Magazine, AZ Republic, Newsweek, Austin Travels Magazine, Forbes.com.

## Example coverage

Travel & Leisure:

- Print readers: 5.9MM
- Digital: 14.7MM

GQ Mexico:

- Print readers: 1.2MM

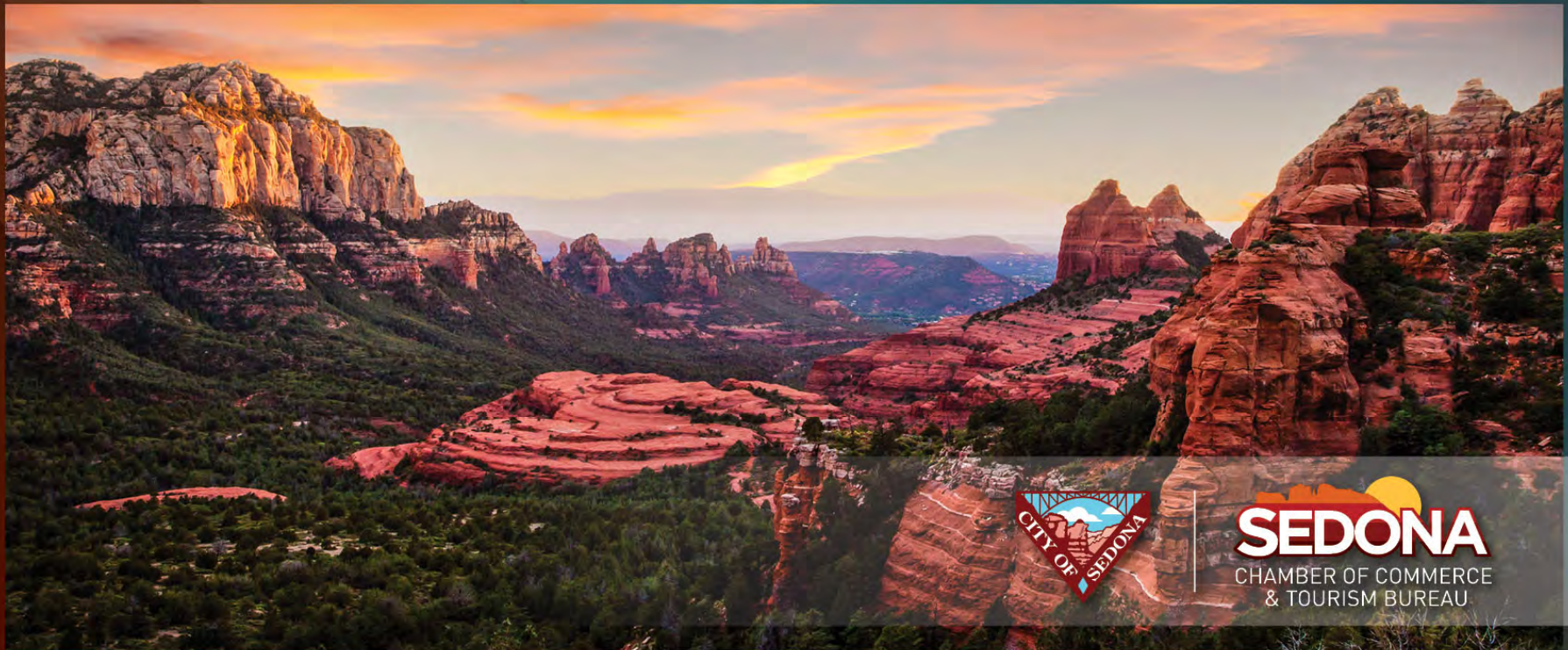


*"We had a GREAT time in Sedona, thanks to you. Really appreciate you jumping in with Steve and then me to make this happen. We're here til Tuesday – I'm sure I'll think of something to have you help me with before I go! Thanks again."*

David Carr, Executive Producer

# SEDONA SUSTAINABLE TOURISM PLAN

ADOPTED MARCH 2019



# SCC&TB FUNDING SOURCES

## FY23 BUDGETED REVENUE

Revenue Source	Amount	Percent	Bed Tax vs. Private Sources
Bed Tax - Tourism Bureau	\$1,127,227	67%	
Bed Tax - Visitor Center	\$542,984	33%	
<b>TOTAL BED TAX</b>	<b>\$1,670,211</b>	<b>100%</b>	<b>77%</b>
Dues and Benefits	\$355,000	70%	
Co-Op Programs	\$64,700	13%	
VC Passes and Retail Sales Gross Profit	\$29,000	6%	
Annual Meeting and IWD Awards Luncheon	\$40,000	8%	
Mixers and Workshops	\$8,500	2%	
Other (Interest, Donations, etc.)	\$11,900	2%	
<b>TOTAL PRIVATE SOURCES</b>	<b>\$509,100</b>	<b>100%</b>	<b>23%</b>
<b>TOTAL</b>	<b>\$2,179,311</b>		

## **SCC&TB BUDGET**

THE BUDGET IS SEPARATED INTO THREE CATEGORIES

- ✓ CHAMBER OF COMMERCE
- ✓ TOURISM BUREAU
- ✓ VISITOR CENTER

Operational costs are currently allocated amongst all three categories.



# FY23 SALARIES AND BENEFITS ALLOCATION

		Chamber / TB / VC
	VC Part Time Employees (8)	0 / 0 / 100
	VC Director	0 / 0 / 100
	VC Manager	0 / 0 / 100
	Tourism Development Director	0 / 100 / 0
	Programs Manager	0 / 100 / 0
	Office Administrator	25 / 75 / 0
	Events Manager	50 / 50 / 0
	Communications Manager	50 / 50 / 0
	Graphic Designer	25 / 75 / 0
	Social Media & Content Creator	25 / 75 / 0
	Finance Director	30 / 60 / 10
	President/CEO	35 / 60 / 5
	Partner Services Director	75 / 25 / 0
<b>WEIGHTED FTEs</b>		3.15 / 6.7 / 6.15
<b>BUDGETED SALARIES AND WAGES</b>		
<b>CHAMBER</b>	\$195,459	23%
<b>TOURISM BUREAU</b>	\$415,493	49%
<b>VISITOR CENTER</b>	\$239,877	28%
<b>TOTAL</b>	<b>\$850,829</b>	<b>100%</b>



# **CITY OF SEDONA AND SCC&TB**

## FUTURE

# CONCERNS AND CONSIDERATIONS

## **BED TAX DOLLARS FUNDING VISITOR CENTER**

- The Visitor Center has historically been a free benefit provided only to SCC&TB members (with a recent paid option provided to non-member businesses).
- The Visitor Center is funded predominately with bed tax funding (public funds).
- The City feels that promotional materials displayed at the Visitor Center should be free to all in-city businesses and not tied to membership at all.

## **BED TAX DOLLARS FUNDING A MEMBERSHIP-BASED ORGANIZATION**

- The SCC&TB is a membership-based organization. Its primary stakeholder group is its members.
- The City's primary stakeholder group is the community at large.
- Tourism Bureau division is funded primarily by bed tax revenue (public funds) administered by City.
- Public Funds are to be used for the community at large, not a subset of member businesses.

# CONCERNS AND CONSIDERATIONS

## ORGANIZATIONAL STRUCTURE AND STAFFING

- Discussions have been had around the Chamber and TB separating into two entities.
- Yet, considerable efficiencies are gained when one organization has staff that performs activities for both divisions.

## TOURISM FOCUS

- It has been suggested that the SCC&TB is too focused on tourism.
- Yet, the SCC&TB is the official accredited destination marketing and management organization in a city with a \$1 billion tourism industry.

# CONCERNS AND CONSIDERATIONS

## EXPENDITURES AND METRICS

- Funding programs, projects and activities versus organizational operations.
- Tying those work programs to outcomes and performance metrics that City Council feels are reasonable.

## PERCEPTIONS

The following inaccurate perceptions are held by some of our residents

- The City is funding the Chamber division, in addition to the Tourism Bureau division.
- Misunderstanding of the difference between destination management programs and destination marketing.
- False belief that the entire Tourism Bureau budget is spent on marketing, only furthering the misperception that we are marketing non-stop with large budgets.

## SUMMARY OF CONCERNS

- ➔ PUBLIC FUNDS AND VISITOR CENTER
- ➔ PUBLIC FUNDS AND MEMBERSHIP
- ➔ PROGRAMS/ACTIVITIES VS OPERATIONAL COSTS
- ➔ SHARED RESOURCES
- ➔ LEADERSHIP AND ORGANIZATIONAL OBJECTIVES
- ➔ KPIs, DATA, REPORTING

# SCC&TB BOARD OF DIRECTORS

Business Professionals, Industry Sector Leaders (Tourism, Healthcare, Arts/Culture), Nonprofit Organizations, Retired Executive, Finance/Banking, Educator, City Staff, Economic Development Professional, Environmental Steward, Resident

#5  
#6

## PRESIDENT/CEO

## STAFF

### CHAMBER OF COMMERCE

**Purpose:** To Support Individual Businesses with Management Tools, Marketing, Networking, Best Practices, and Educational Opportunities

#### 501C3 / FOUNDATION

##### Function

Provide funds for new Chamber of Commerce program development or expansion of existing programs.

##### Funding

Grants  
Donations

#### BUSINESS SUPPORT

##### Function

Advocacy, Training, Expert Assistance, Resources, Education, Marketing Exposure, Being Connected and Informed, and Leveraging the Strength of a Collaborative Community

##### Funding

Membership Dues  
Sponsorships

#4

#### Dual Tools

VisitSedona.com

Experience Sedona  
Visitor Guide

Visit Sedona  
Social Media

Consumer  
e-Newsletter

### TOURISM BUREAU | OFFICIAL DMO

#### Membership Agnostic

**Purpose:** To Market and Manage the Destination with Consideration of the Economy, Visitors, Residents, and Environment

#2

#### DESTINATION MARKETING

##### Function

Branding, Marketing, PR/Communications and Sales

##### Funding

City of Sedona: Fee for Service  
Private Sector  
Tourism Marketing Authority

#### DESTINATION MANAGEMENT

##### Function

Visitor Center Exposure:  
Open to all Businesses

Destination Management Programs (i.e. Sedona Trail Keepers, Secret 7)

##### Funding

City of Sedona: Fee for Service

#1

#3

# PUBLIC FUNDS AND VISITOR CENTER

## CONCERN

- SCC&TB members have historically received a benefit of rack card distribution at the Uptown Visitor Center. The Visitor Center is funded primarily by bed tax (public funds). Public funds are to be used for the entire community, not only SCC&TB members.

## COUNCIL REQUEST

- City Council asked that the Visitor Center be open to all businesses, not just members.

## RECOMMENDATION #1

- The Visitor Center Rack Card Program is now open to all businesses within city limits.



# PUBLIC FUNDS AND MEMBERSHIP

## CONCERN

- Contracted bed tax allocation (public funding) is used for Tourism Bureau programs. Tourism Bureau programs and budgets are separate from Chamber, however, the City has concerns of possible overlap given the current SCC&TB organizational structure.

## COUNCIL REQUEST

- The City has asked for a structure or practice that will further delineate the Chamber and Tourism Bureau divisions to ensure that bed tax dollars are not used for anything oriented to membership.

# PUBLIC FUNDS AND MEMBERSHIP

## COMPARABLE DMOs - MEMBERSHIP TYPES

	\$500,000 - \$1,500,000	\$1,500,001 - \$3,000,000	\$3,000,001 - \$5,000,000
Dues-Paying Members	29%	40%	48%
Partnership Program	32%	33%	45%
No Memberships/Partnerships	48%	40%	34%



# PUBLIC FUNDS AND MEMBERSHIP

## RECOMMENDATION #2 - MEMBERSHIP AGNOSTIC

Tourism Bureau becomes membership agnostic, which means the Tourism Bureau will no longer be a membership-oriented division.

All existing membership programs and benefits will continue to be provided to member businesses under Chamber division only.

### Next Steps:

- Assess Tourism Bureau programs to determine which have a membership component.
- Determine which programs will be opened to all businesses, and which stay as membership benefit and move to Chamber division.
- Evaluate vendor cost allocations to determine proper categorization.
- Estimated completion: June 2023

# PUBLIC FUNDS AND MEMBERSHIP

## RECOMMENDATION #3 - FEE FOR SERVICE

Development of a Fee for Service model for the Tourism Bureau where the City can hire the TB to develop Destination Marketing and Destination Management programs.

Operational costs (shared staff and overhead) will be allocated across all programs.

The SCC&TB can generate additional revenue for the Tourism Bureau division.

- *Example: Sedona Lodging Council hires TB to facilitate marketing campaigns.*
- *Example: Tourism Bureau offers 'pay-to-play' marketing opportunities to businesses.*
- *Example: Tourism Marketing Authority*

### Cost/Benefit Evaluation

Fee for Service is a new concept for a DMO. This is uncharted territory and will require substantial set-up.

# PUBLIC FUNDS AND MEMBERSHIP

## RECOMMENDATION #3 - FEE FOR SERVICE - CURRENT

- Billing rates for marketing agencies and consulting service firms include operating expenses and profit.
- The SCC&TB currently provides TB services as a pass through, based on an allocation of staff and operating expenses plus vendor costs (no profit).
- The current average hourly staff rate at the Administrative Office is \$30.92
- FY23 operating expenses allocated to TB programs relative to allocated salary cost is 43%. Based on the 43% overhead rate, the average hourly staff rate (\$30.92) and overhead (13.30) pass through is \$44.22 an hour.
- FY23 budget assumes 10 FTE Administrative Office employees, which is allocated between Chamber/TB/VC functions 31.5%/68.5%.
- The comments above are not related to bed tax funding for Visitor Center operations.

# PUBLIC FUNDS AND MEMBERSHIP

## RECOMMENDATION #3 - FEE FOR SERVICE

### Next Steps:

- Determine billing rates
- Estimate labor hours
- Identify software/system for tracking labor hours
- Determine overhead allocation(s)
- Estimated Completion: XX 2023

# SHARED RESOURCES

## RECOMMENDATION #4 - DUAL TOOLS

These tools have dual purposes: 1) to inform and educate visitors, and 2) to provide exposure for member businesses. These should live to serve both the Tourism Bureau and the Chamber of Commerce.

- VisitSedona.com
- Experience Sedona Visitor Guide
- Visit Sedona Social Media
- Consumer e-Newsletter

# LEADERSHIP AND ORGANIZATIONAL OBJECTIVES

## CONCERN

- The City and SCC&TB's organizational objectives sometimes conflict (use of public funds and membership; differences in stakeholder groups).

## COUNCIL REQUEST

- The SCC&TB was asked to consider splitting the board of directors to ensure that Tourism Bureau directives weren't driven by membership needs.



# LEADERSHIP AND ORGANIZATIONAL OBJECTIVES

## OPTION 1 - TWO BOARDS OF DIRECTORS

- Arizona State Law prohibits a two-board structure, unless the organization is split into two separate legal entities.

Ariz. Rev. Stat. Ann. § 10-3801 states:

A. Each corporation shall have a board of directors.

B. All corporate powers shall be exercised by or under the authority of and the affairs of the corporation shall be managed under the direction of its board of directors, subject to any limitation set forth in the articles of incorporation.

C. The articles of incorporation may authorize one or more members, delegates or other persons to exercise some or all of the powers which would otherwise be exercised by a board. To the extent so authorized the authorized person or persons shall have the duties and responsibilities of the directors, and the directors shall be relieved to that extent from those duties and responsibilities.

# LEADERSHIP AND ORGANIZATIONAL OBJECTIVES

## OPTION 2 - TWO ENTITIES

### Assumptions

- Separate legal entities, boards, staff members, offices, communication assets
- Visitor Center is a TB activity

### Pros

- Firewall between Chamber membership and TB DMO activities
- Distinct entity/board focus – supporting businesses, nonprofit organizations and local community vs. destination management and marketing

### Cons

- Create a TB legal entity, recruit directors
- Determine TB staffing needs and hire employees – additional expense
- Obtain TB office space and furnishings – additional expense

### Questions

- Funding stability and its impact on staffing

# LEADERSHIP AND ORGANIZATIONAL OBJECTIVES

## OPTION 3 - ADVISORY BOARD(S)

### Assumptions

- Chamber: Retired professional, educator, resident
- Tourism Bureau: Economic development professional, environmental steward, resident

### Pros

- Additional input for board and management
- Relatively easy

### Cons

- Typically not voting members
- Additional staff time to manage

### Questions

- Effectiveness at resolving city council concerns

# **LEADERSHIP AND ORGANIZATIONAL OBJECTIVES**

## **RECOMMENDATION #5 - ONE BOARD TO GOVERN SCC&TB**

- Members of the SCC&TB Board of Directors will continue to govern in accordance with the body's bylaws, board policies and code of ethics.

# LEADERSHIP AND ORGANIZATIONAL OBJECTIVES

## CONCERN

- Negative perception of the SCC&TB being focused on “tourism at all costs”.

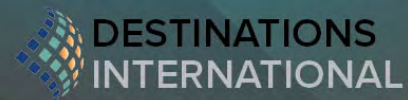
## COUNCIL REQUEST

- It is desired that the SCC&TB Board of Directors represent additional voices of the community.

# LEADERSHIP AND ORGANIZATIONAL OBJECTIVES

## COMPARABLE DMOs - BOARD OF DIRECTOR COMPOSITION

	\$500,000 - \$1,500,000	\$1,500,001 - \$3,000,000	\$3,000,001 - \$5,000,000
Attractions Industry	2	2	3
Government Sector	2	3	3
Hotel Industry	2	4	4
Restaurant Industry	1	1	1
Sports Industry	1	1	0
Non-Hospitality Industries	3	4	3
Other Hospitality Leadership Industries	1	2	2
<b>TOTAL BOARD MEMBERS</b>	<b>13</b>	<b>15</b>	<b>15</b>



# LEADERSHIP AND ORGANIZATIONAL OBJECTIVES

## FY23 BOARD OF DIRECTORS COMPOSITION

	INDUSTRY SECTOR								
	Arts, Culture and Humanities	Health Care	Lodging	Media and Marketing	Nonprofit	Real Estate/ Development	Retail	Utilities	Transportation
Jennifer Perry					X				
Mike Wise						X			
Stan Kantowski			X						
Clifford Loader		X							
Al Comello				X					
Cheryl Barron			X						
Shlomo Danieli							X		
John Davis							X		
Dr. Beth DuPree		X							
Gary Glenn				X					
KC Kinsey			X						
Lonnie Lillie			X						
Julie Richard	X								
Mackenzie Rodgers								X	
Ed Rose									X
	1	2	4	2	1	1	2	1	1



# LEADERSHIP AND ORGANIZATIONAL OBJECTIVES

## RECOMMENDATION #6 - FURTHER DIVERSIFY BOARD

Round out the board with additional qualified community leaders who will provide their distinctive community voice resulting in balanced decision-making.

### Next Steps:

- Board member candidate recruitment process beginning.
- Will seek retired executive, finance/banking, educator, city staff, economic development professional, environmental steward, resident.
- Estimated completion: June 2023



# IN SUMMARY: CONTINUE AS SINGLE ENTITY

## Assumptions

- Broaden/diversify board of directors' representation
- Maintain shared resources (staff, facilities, communication assets)
- Fee for Service structure – labor, overhead, administrative, margin allocated to individual programs
- Permitted to perform destination marketing funded by TMA and private source revenues
- Chamber = memberships; Tourism Bureau = no memberships; Visitor Center = open to all businesses

## Pros

- Easier to implement than two entities solution
- Opportunity for broader community input
- Cost effective
- Improved cost benefit decisions arising from Fee for Service structure
- Opportunity for additional revenue funding destination marketing

## Cons

- Substantial set up required for Fee for Service structure

## Questions

- Funding dual tools – VisitSedona.com, ESG, Visit Sedona social media, consumer e-Newsletter
- Funding stability and its impact on staffing

# KPIs, DATA, REPORTING

## FY23 SCC&TB ACTIVITY KPIs - LISTED IN FY23 DESTINATION MANAGEMENT PLAN

Goal 5: Maintain Future Economic Health	<b>Group/Meeting Sales</b>	<b>Annual Target</b>
	Generate leads for xx room nights.	15,000
	Meet with meeting planners to generate mid-week, off-peak season business.	60
	Generate page views for Group/Meetings web pages and online DEP on VisitSedona.com.	12,000
	<b>Travel Trade Industry</b>	
	Generate domestic and international hotel and service request leads.	22
	Produce service request referrals for Sedona partners.	650
	Meet with travel trade professionals at tradeshow and sales events.	150-190
	Generate page views for travel trade web pages on VisitSedona.com.	25,000

# KPIs, DATA, REPORTING

## FY23 SCC&TB ACTIVITY KPIs - LISTED IN FY23 DESTINATION MANAGEMENT PLAN

Program Goal	Performance KPI	Annual Target
Encourage positive visitor behavior.	Survey findings of visitor attitudes towards sustainability.	New question(s) to be added to visitor survey. FY23 will be baseline.
Lessen density of visitors at busy locations.	Increased trail counts at Secret 7 hiking locations.	TBD – historical cell phone data to be obtained.
Assist in preserving Sedona's natural resources.	Survey findings of actions taken towards the 7 Sedona Leave No Trace principles.	New question(s) to be added to visitor survey. FY23 will be baseline.
Help ensure future economic health.	Increases in city tax revenue collected.	FY22 Actuals: Sales tax - \$32,749,006 Bed tax - \$8,942,766 FY23 Budgeted: Sales tax - \$36,570,000 Bed tax - \$10,232,000
Ease neighborhood burdens and support workforce.	Number of Sedona Shuttle and Verde Shuttle boardings.	FY23: Sedona Shuttle: 125,100 Verde Shuttle: 50% (exact number coming)
Deepen engagement with short-term rental sector.	Survey findings about STRs level of integration with the SCC&TB.	FY23 will be baseline.

# KPIs, DATA, REPORTING

## **COLLABORATION NEEDED ON THE DATA AND THE NARRATIVE**

The narratives surrounding our data (sales tax, bed tax from the city – and lodging performance from the chamber) are sometimes different.

## **RECOMMENDATIONS**

- Discuss opportunity for the City and SCC&TB to work together to create one monthly report.
- Evaluate the feasibility of drilling down further on the sales tax data, provided any further detailed reporting is compliant with state confidentiality laws regarding tax information.
- Proposal of a study in FY24 that will track visitation numbers, origin and destination information, day trip vs overnight, length of stay, etc. through the tracking of cell phone data or other new technologies.

# CITY REPORTS

## QUARTERLY SCHEDULE

<b>CITY REPORT #</b>	<b>ACTIVITY/RESULTS PERIOD</b>	<b>CITY REPORT DUE TO CITY</b>
CITY REPORT 1	Q1: JULY - SEPTEMBER	OCTOBER 31
CITY REPORT 2	Q2: OCTOBER - DECEMBER	JANUARY 31
CITY REPORT 3	Q3: JANUARY - MARCH	APRIL 30
CITY REPORT 4	Q4: APRIL - JUNE	JULY 31



**FY23: YTD STATUS REPORT**  
(JULY - NOVEMBER 2022 ACTIVITY)

## FY23 PROGRAM GOALS



ENCOURAGE **POSITIVE VISITOR BEHAVIOR**



**LESSEN DENSITY OF VISITORS** AT BUSY LOCATIONS



ASSIST IN **PRESERVING SEDONA'S NATURAL RESOURCES**



HELP ENSURE FUTURE **ECONOMIC HEALTH**



**EASE NEIGHBORHOOD BURDENS** AND **SUPPORT WORKFORCE**



DEEPEN ENGAGEMENT WITH **SHORT-TERM RENTAL** SECTOR

## GOAL: ENCOURAGE POSITIVE VISITOR BEHAVIOR

- ✓ ONLINE TOOLKITS AND CONTENT SHARING
- ✓ GEOFENCING
- ✓ IN-ROOM VIDEOS
- ✓ OFFICIAL UPTOWN VISITOR CENTER
- ✓ CONCIERGE CONNECTION
- ✓ AOT RURAL CO-OP PROGRAMS
- ✓ OHV AND TREAD LIGHTLY! VISITOR EDUCATION
- ✓ SEDONA CARES PLEDGE



# ONLINE TOOLKITS AND CONTENT SHARING

## IN-MARKET VISITOR EDUCATION

### **LEAVE NO TRACE TOOLKIT**

- Toolkit implemented
- Encouraging local businesses to register as LNT Proud Sponsor

### **SEDONA SHUTTLE TOOLKIT**

- Planting the seed of conservation
- Includes information on the shuttle service as well as printable and online resources
- Promoted in multiple weekly e-Newsletters

### **VERDE SHUTTLE TOOLKIT**

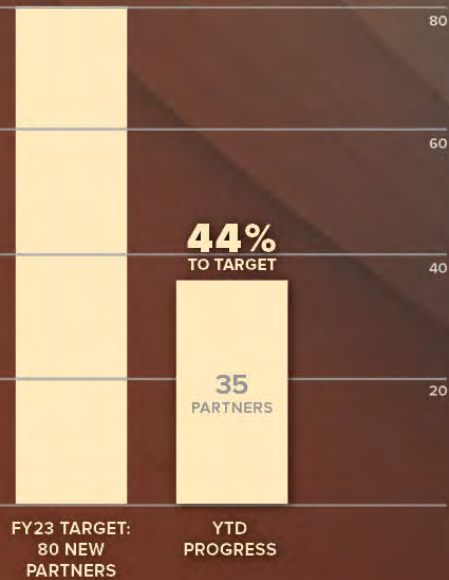
- Encouraging employers to share information with employees
- Includes printable and online resources
- Promoted in multiple weekly e-Newsletters

# ONLINE TOOLKITS AND CONTENT SHARING

## IN-MARKET VISITOR EDUCATION

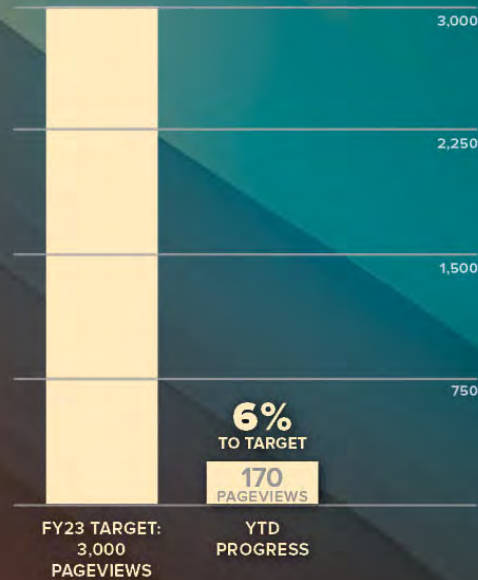
### ACTIVITY KPI:

Sedona LNT Proud Supporter Registrations: Target 80



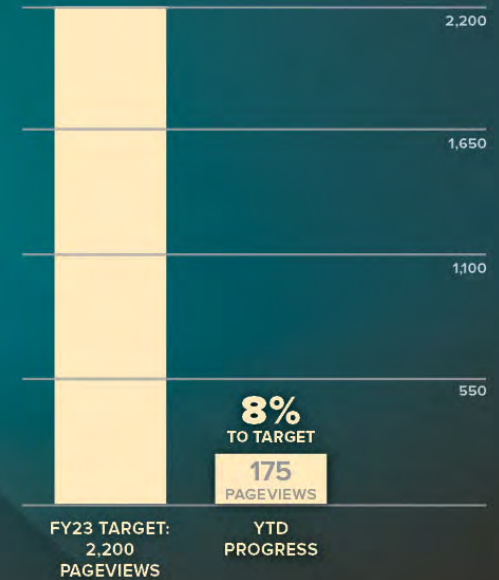
### ACTIVITY KPI:

Sedona Shuttle Toolkit Pageviews: Target 3,000



### ACTIVITY KPI:

Verde Shuttle Toolkit Pageviews: Target 2,200



# **ONLINE TOOLKITS AND CONTENT SHARING**

## IN-MARKET VISITOR EDUCATION

### **COURSE CORRECTION FOR SEDONA SHUTTLE AND VERDE SHUTTLE TOOLKITS**

- Toolkits are now publicly available at [VisitSedona.com](http://VisitSedona.com) and [SedonaChamber.com](http://SedonaChamber.com)
- 1 on 1 introduction in Partner Benefit Review
- Mention and marketing of communication toolkits in e-Newsletters
- Shuttle FAM Tour

# GEOFENCING

## IN-MARKET VISITOR EDUCATION

### ACTIVITY KPI:

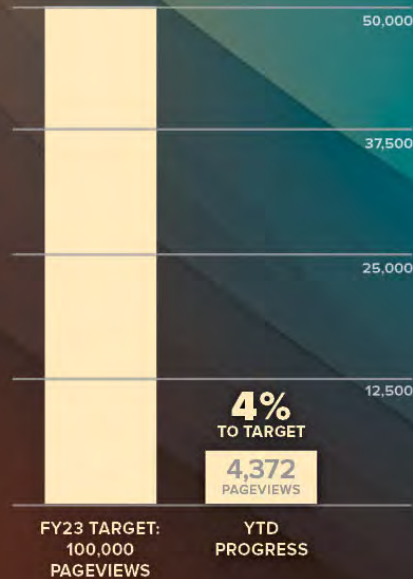
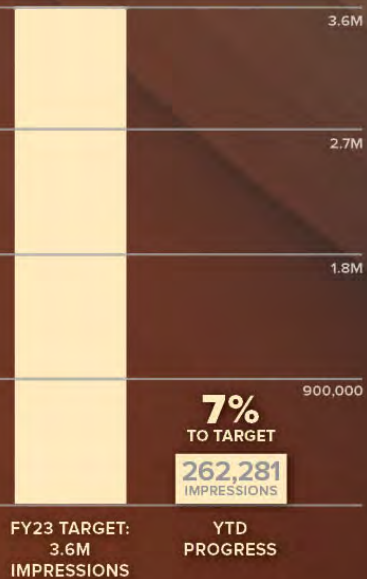
RespectRedRockCountry.com  
Impressions: Target 3.6M

### ACTIVITY KPI:

RespectRedRockCountry.com  
Pageviews: Target 100,000

### ✔ YTD ACCOMPLISHMENTS

- Program enhancements were developed in Q1 and implemented in Q2
- Click rate increase of 360% over FY22
- Launched: October 2022
- Runs through June 2023



*Respect* **RED ROCK COUNTRY**  
SEDONA, ARIZONA

# IN-ROOM VIDEOS

## IN-MARKET VISITOR EDUCATION

### ACTIVITY KPI:

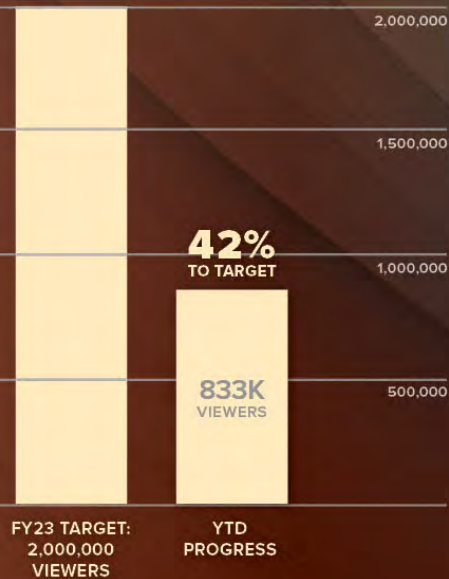
Number of viewers:  
Target 2,000,000

### ✔ YTD ACCOMPLISHMENTS

#### In-Room Videos Airing

- Visitor Center
- Respect Red Rock Country
- Leave No Trace
- Navigating Roundabouts
- Bicycle Etiquette

**Upcoming:** Implement in smaller lodging properties and short-term rentals via Smart TVs and Red Rock TV program



# OFFICIAL UPTOWN VISITOR CENTER

## IN-MARKET VISITOR EDUCATION

### ACTIVITY KPI:

Manage Visitor Center  
7 days/week, 59.5 hours:  
Target 3,077

### ACTIVITY KPI:

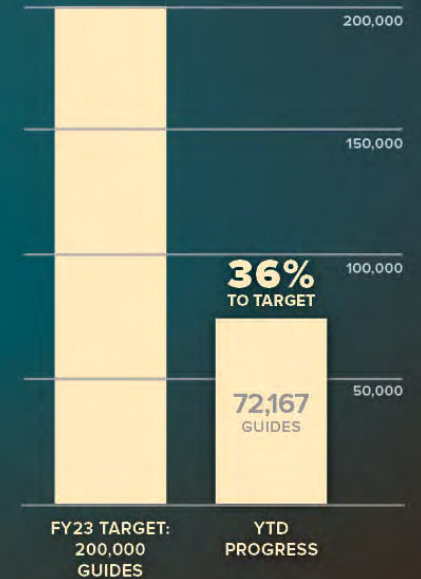
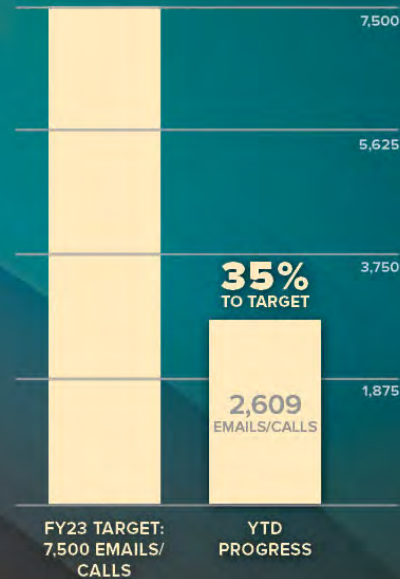
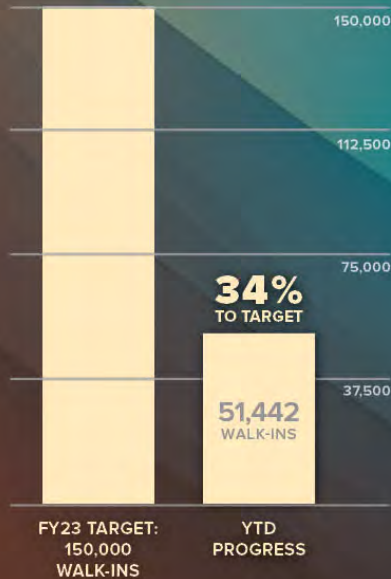
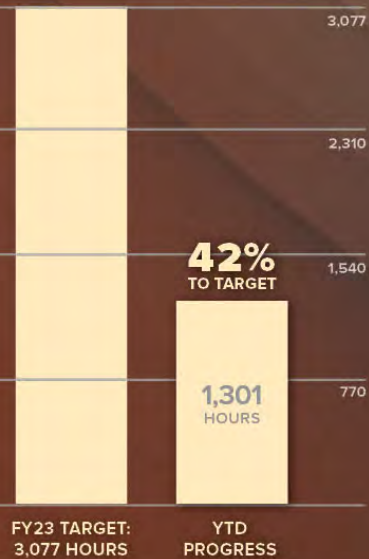
Manage and assist  
visitor walk-ins:  
Target 150,000

### ACTIVITY KPI:

Manage and assist visitor  
inquiries via phone/email:  
Target 7,500

### ACTIVITY KPI:

Distribute printed ESG:  
Target 200,000

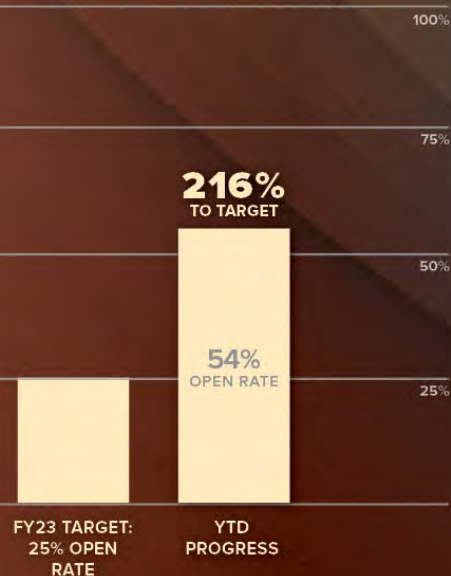


# CONCIERGE CONNECTION

## IN-MARKET VISITOR EDUCATION

### ACTIVITY KPI:

Ensure high open rate on Frontliner e-Newsletter: Target 25%



### ✔ YTD ACCOMPLISHMENTS

- Ongoing collateral delivery
- Added STR units
- Frontliner e-Newsletter circulation has doubled
- Maintained average open rate of 52%

### Enhancements to Frontliner e-Newsletter

- Transit information
- Trail dispersion offerings noted
- More information on volunteer opportunities

**Upcoming:** Currently working on a single collateral with information and QR codes  
Frontliners After Hours quarterly networking event  
Will be using this program to deliver Emergency Plan and Good Neighbor information

# AOT RURAL CO-OP PROGRAMS

## SEDONA TRAVEL INTENDERS

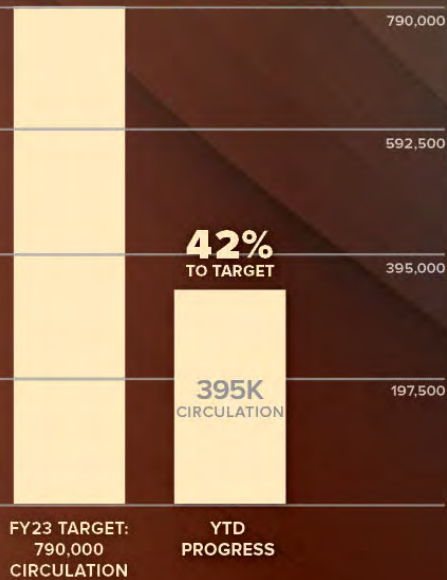
### ACTIVITY KPI:

Total publication circulation:  
Target 790,000

### ✔ YTD ACCOMPLISHMENTS

#### Sustainable Tourism Messaging Has Been Placed

- Arizona State Visitors Guide
- Phoenix Visitor Guide
- Tucson Official Travel Guide
- Grand Canyon Journal
- Pride Guide





# OHV/TREAD LIGHTLY! VISITOR EDUCATION

## SEDONA TRAVEL INTENDERS



### ✔ YTD **SHARED COMMUNICATIONS**

#### Blog Posts and Social Media Posts Regarding:

- Trail rehabilitation projects
- New signage:
  - *Low range 4WD*
  - *Avoid tire spinning and dust*
  - *Healing in progress*
- Closures of illegal routes and rehabilitation of 3.1 miles of damaged area
- Instructional video on what it means to be a good steward of the land we love while enjoying OHV outings

# SEDONA CARES PLEDGE

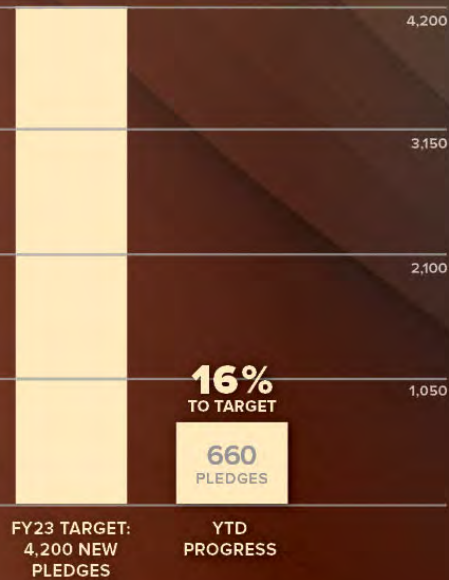
## IN-MARKET VISITOR EDUCATION

### ACTIVITY KPI:

Number of new pledges taken:  
Target 4,200

### ✔ YTD ACCOMPLISHMENTS

- 660 new Pledges have been made
- Expanded visibility for the program



# PERFORMANCE KPI

## ENCOURAGE POSITIVE VISITOR BEHAVIOR

### PERFORMANCE KPI

- Survey findings of visitor attitudes toward sustainability.

### ANNUAL TARGET

- Question regarding sustainability added to visitor survey. FY23 is baseline.

*To what extent do you agree or disagree that Sedona is a sustainable destination?  
(a destination invested in protecting its natural environment and community character)*

### YTD UPDATE

- Questions were added for visitor surveys starting in July 2022 to gauge attitudes towards sustainability. First Report reflecting July – December surveying will be produced in April 2023.

# GOAL: LESSEN DENSITY OF VISITORS AT BUSY LOCATIONS



SEDONA'S SECRET 7

# SEDONA'S SECRET 7

## DIVERSIFY TRAIL USAGE

**ACTIVITY KPI:**

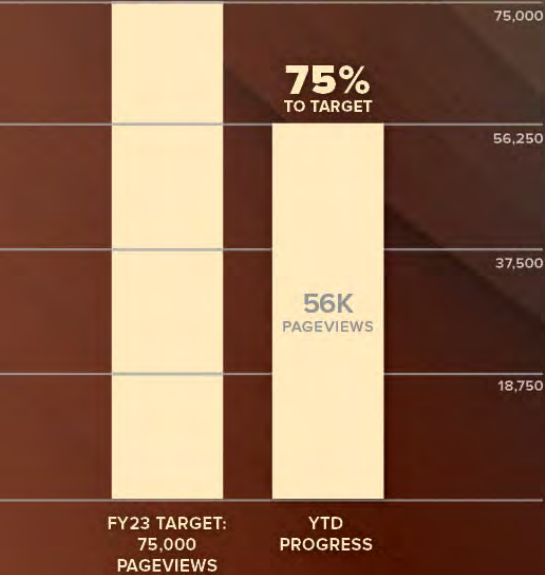
SedonaSecret7.com pageviews:  
Target 75,000

✔ **YTD ACCOMPLISHMENTS**

- Concierge and front desk staff continue to offer these less traveled options
- Visitor Center volunteers continue presenting these options as visit 'like a local'
- Secret 7 has been added to social media and featured in multiple e-Newsletters

**Upcoming: Brochure rewrite and redesign in progress**

- Spiritual category replaced by American Indian Trail category
- New Arts/Culture locations identified
- USFS vetting all forest land locations
- Estimated completion: February 2023 for Spring Peak Season



# PERFORMANCE KPI

## LESSEN DENSITY OF VISITORS AT BUSY LOCATIONS

### PERFORMANCE KPI

- Increase trail counts at Secret 7 hiking locations.

### ANNUAL TARGET

- TBD. Historical cell phone data to be obtained.

### YTD UPDATE

- RFP sent out. Proposal has been submitted.
- Cost is too high and researching alternatives.

## **GOAL: ASSIST IN PRESERVING SEDONA'S NATURAL RESOURCES**

- ✓ LEAVE NO TRACE
- ✓ SUSTAINABILITY ALLIANCE CERTIFICATION EXPANSION
- ✓ SEDONA TRAIL KEEPERS 2.0
- ✓ FLY FRIENDLY PROGRAM

# LEAVE NO TRACE

## ASSIST IN PRESERVING SEDONA'S NATURAL RESOURCES VOLUNTOURISM PROGRAM DEVELOPMENT

### ✔ YTD **ACCOMPLISHMENTS**

- A research survey has been completed and data analysis is being conducted by LNT.
- Data analysis completion anticipated in February 2023.
- Data will provide information to guide SCC&TB in building a Voluntourism Plan.

**Upcoming:** April 22 Earth Day Cleanup Project with the City of Sedona, LNT, and Sedona Stewards is currently in planning.

Additional volunteer/voluntourism projects to be considered.



# SUSTAINABILITY ALLIANCE CERTIFICATION EXPANSION

ENCOURAGE BUSINESS INCORPORATION OF SUSTAINABILITY OPERATIONS

## ✔ YTD ACCOMPLISHMENTS

- VVREO made public notice of taking over ownership of the certification from the Sustainability Alliance.
- SCC&TB fulfilling annual commitment to support program.
- Consideration of VVREO Sustainability Certification and a Scorecard program.



# **SEDONA TRAIL KEEPERS AND FLY FRIENDLY**

CONTINUE CONNECTING COMMUNITY STAKEHOLDERS TO CAUSE

## **✔ YTD ACCOMPLISHMENTS**

### **Sedona Trail Keepers 2.0**

- Continuation of 52 participating businesses
- Sponsors are showcased on social media twice monthly.
- Sedona Trail Keepers continues preparing work events for Q3.

### **Fly Friendly Program**

- Continuing adherence to the program.
- Presentations (i.e. Community Pulse event)

# PERFORMANCE KPI

## ASSIST IN PRESERVING SEDONA'S NATURAL RESOURCES

### PERFORMANCE KPI

- Survey findings of visitor actions taken towards Leave No Trace principles.

### ANNUAL TARGET

- Add new questions regarding sustainability to visitor survey. FY23 is baseline.

*Did you encounter Sedona's Leave No Trace messaging?*

*Where did you encounter Leave No Trace messaging?*

*Do you feel the Leave No Trace messaging was influential to your behaviors while recreating outdoors in Sedona?*

*Which of the following Leave No Trace principles did you participate in while exploring Sedona's natural environment?*

### YTD UPDATE

- Questions were added to visitor surveys starting in July 2022 to gauge action taken towards the 7 LNT principles. First report reflecting July – December surveying will be produced April 2023.

# GOAL: MAINTAIN FUTURE ECONOMIC HEALTH

- ✓ GROUP/MEETING SALES
- ✓ TRAVEL TRADE INDUSTRY

# GROUP/MEETING SALES

## UNDERTAKE ECONOMIC VITALITY INITIATIVES

### ✔ YTD **ACCOMPLISHMENTS**

- Attended two tradeshows and two industry networking events in Phoenix
  - Meetings Today Live West tradeshow: Met 24 qualified meeting planners on Sedona at pre-scheduled appointments
  - Destination West in Arizona: Met 20 qualified meeting planners on Sedona at pre-scheduled appointments
  - MPI AZ Fall Education Program
  - AZSAE November Education Luncheon/Annual Meeting
- Group/Meeting e-Newsletter
  - Total circulation: 5,845
  - Open rate: 31.5%

# GROUP/MEETING SALES

## UNDERTAKE ECONOMIC VITALITY INITIATIVES

### ACTIVITY KPI:

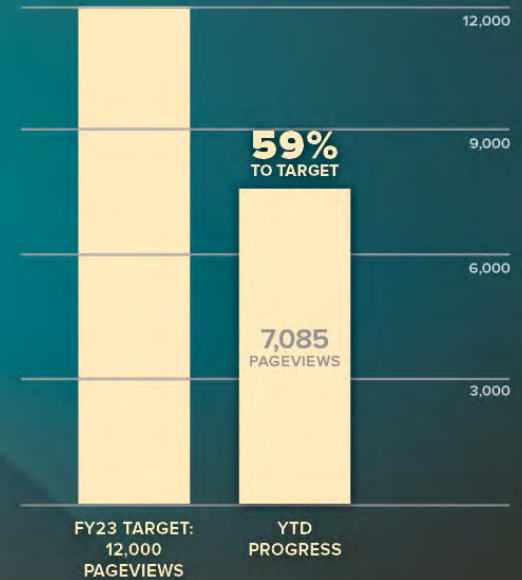
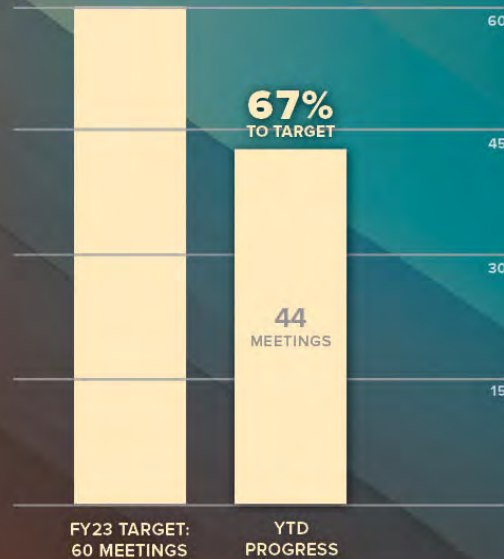
Generate leads for 15,000 room nights

### ACTIVITY KPI:

Meet with 60 planners to generate midweek, off-peak season business

### ACTIVITY KPI:

Generate 12,000 pageviews for Group/Meeting web pages and online DEP



# TRAVEL TRADE INDUSTRY SALES

## UNDERTAKE ECONOMIC VITALITY INITIATIVES

### ✔ YTD ACCOMPLISHMENTS

- **Brand USA Travel Week U.K. & Europe:** Completed follow-up communications for the show
- **Visit USA Belgium Arizona Webinar:** Three Arizona destinations (Scottsdale, Flagstaff and Sedona) conducted a destination training webinar to 44 Belgian travel trade professionals
- **Leads/Partner Referrals:** Three hotels leads, two service request leads were sent to tourism partners and 142 partner referrals were made during the months of October and November
- **FAM Tours/Site Visits:**
  - AOT's French Travel Trade FAM, which was participated by seven Sedona tourism partners
  - Attended Brand USA MegaFAM and AOT dinner event in Phoenix
    - MegaFam brought 60 top-selling agents from the UK, Ireland, Germany, France, Italy, Switzerland, Austria, Belgium and the Netherlands across the U.S. on six itineraries
    - Arizona received two representatives from Brand USA and 10 tour operators in sales from the Netherlands and Belgium
    - CTour Holiday, a Chinese tour operator, brought their six U.S. representatives to Sedona to learn about the destination

# TRAVEL TRADE INDUSTRY SALES

## UNDERTAKE ECONOMIC VITALITY INITIATIVES

### ACTIVITY KPI:

Generate 22 domestic/  
international hotel and  
service request leads

### ACTIVITY KPI:

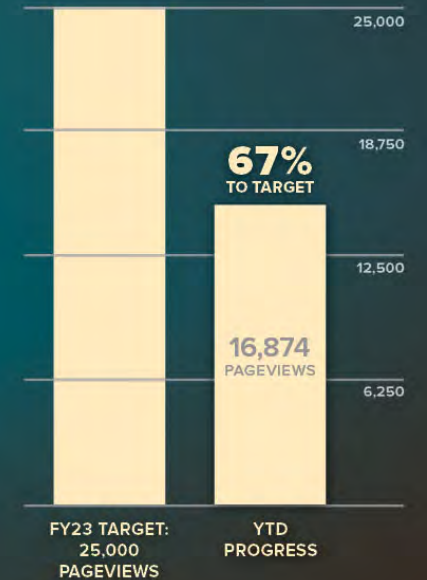
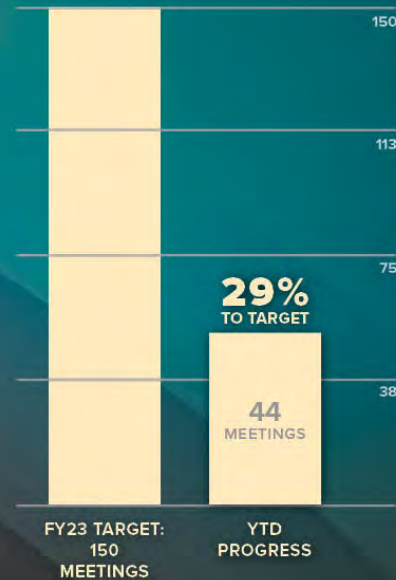
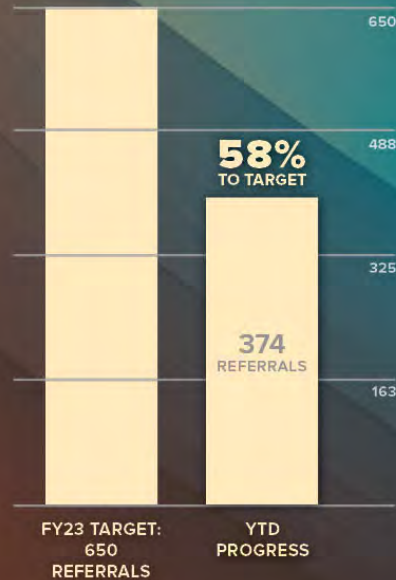
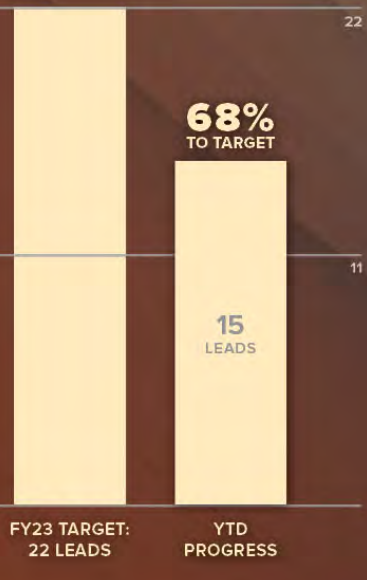
Produce 650 service  
request referrals for  
Sedona partners

### ACTIVITY KPI:

Meet with 150 Travel  
Trade professionals at  
tradeshows and other  
sales events

### ACTIVITY KPI:

Generate 25,000  
pageviews for travel  
trade web pages on  
VisitSedona.com





# PERFORMANCE KPI

## HELP ENSURE FUTURE ECONOMIC HEALTH

### PERFORMANCE KPI

- Increase in-city tax revenue collected.

	FY23 YTD Actuals	FY23 YTD Budget	Budget Variance
Bed Tax	\$2,475,729	\$3,011,100	-18%
Sales Tax	\$9,861,117	\$11,301,500	-13%

	FY22 YTD Actuals	FY23 YTD Actuals	YOY Variance
Bed Tax	\$2,709,613	\$2,475,729	-9%
Sales Tax	\$10,362,170	\$9,861,116	-5%

YTD = July – October 2022

# GOAL: EASE NEIGHBORHOOD BURDENS AND SUPPORT WORKFORCE

- ✓ SEDONASHUTTLE.COM
- ✓ VERDESHUTTLE.COM

# TRANSIT MARKETING PLAN

BUILD SUPPORT FOR TRANSIT UTILIZATION - SEDONA SHUTTLE AND VERDE SHUTTLE

## ACTIVITY KPI:

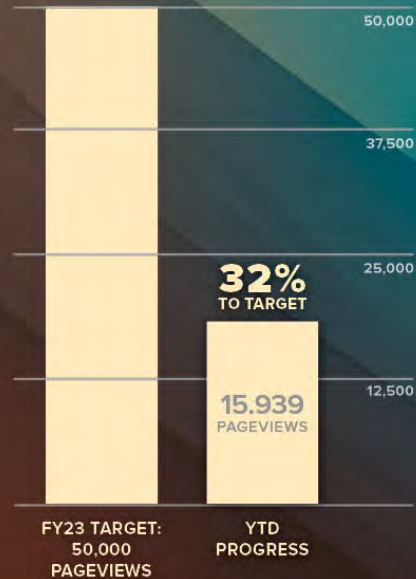
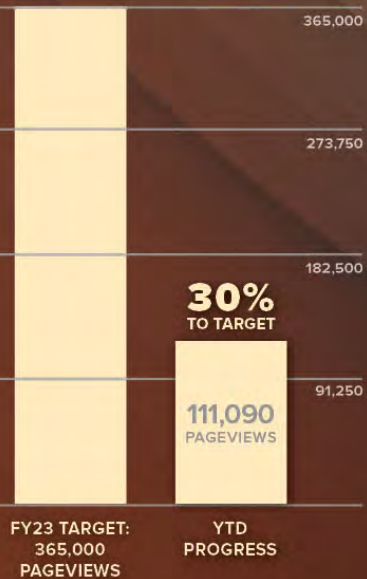
SedonaShuttle.com  
pageviews: 365,000

## ACTIVITY KPI:

VerdeShuttle.com  
pageviews: 50,000

## ✔ YTD ACCOMPLISHMENTS

- Continue to educate the public on Sedona Shuttle service
- Transit Marketing Digital Collateral
- Multiple e-Newsletter mentions
- Updated VisitSedona.com & SedonaChamber.com landing pages
- Added both toolkits to Respect Red Rock Country landing page
- Identified and corrected schedule information and updates



# PERFORMANCE KPI

## EASE NEIGHBORHOOD BURDENS AND SUPPORT WORKFORCE

### ACTIVITY KPI:

Sedona Shuttle Boardings  
Target: 125,100

### ✔ YTD ACCOMPLISHMENTS

#### Performance KPI

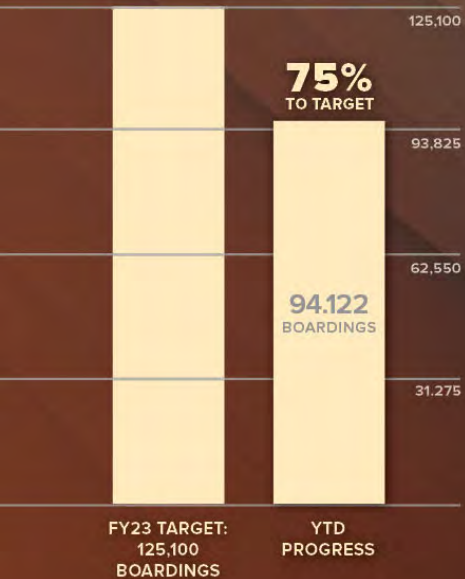
- Number of Sedona and Verde Shuttle boardings

#### Annual Target

- Sedona Shuttle: 125,100
- Verde Shuttle: 50% increase YOY

#### YTD update

- Sedona Shuttle: 94,122
- Verde Shuttle: 27,872



# GOAL: DEEPEN ENGAGEMENT WITH SHORT-TERM RENTAL SECTOR



SHORT-TERM RENTAL PROGRAM

# SHORT-TERM RENTALS

ENGAGE SHORT-TERM RENTAL PROPERTY MANAGERS AND OWNERS

## ✔ YTD **ACCOMPLISHMENTS**

- Leveraging Frontliner Program
- Working with the City of Sedona to get emergency plan information into the units

**Upcoming:** Good Neighbor program



# PERFORMANCE KPI

## DEEPEN ENGAGEMENT WITH SHORT-TERM RENTAL SECTOR

### PERFORMANCE KPI

- Survey findings about STR level of integration with the SCC&TB

### ANNUAL TARGET

- TBD. FY23 is baseline

### YTD UPDATE

- Increased in connectivity with this market segment in order to re-build trust
- Successful engagement has resulted in 400+ units now receiving frontliner collateral
- 11 Chamber member STR management companies and 2 non-member companies received link to City of Sedona's emergency plan
- Exploring options for further engagement in partnership with the city through a Good Neighbor program

# FOUNDATIONAL ASSETS

- ✓ GENERATE UNIQUE VISITORS/SESSIONS TO VISITSEDONA.COM
- ✓ ENSURE POSITIVE OPEN RATE ON MONTHLY CONSUMER E-NEWSLETTER
- ✓ INCREASE TOTAL NUMBER OF SOCIAL MEDIA FOLLOWERS



# FOUNDATIONAL ASSETS

## VISITSEDONA.COM

### ACTIVITY KPI:

Generate 1,200,000 unique visitors/  
sessions to VisitSedona.com



**RESPECT RED ROCK COUNTRY**

LEARN MORE

Tourism is the most significant stressor on our environment and quality of life. As a visitor, you are essential to making - and keeping - Sedona sustainable. Please do your part to assure that Sedona will remain unspoiled and...



**TAKE THE SEDONA SHUTTLES TO YOUR FAVORITE TRAILHEAD!**

LEARN MORE

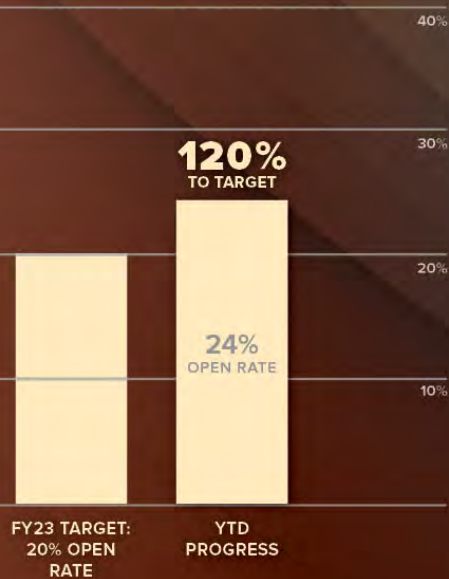
The city of Sedona has launched the first phase of its transit implementation plan. The new transit system, the Sedona Trailhead Shuttle, has begun service to several of the area's most popular trailheads.

# FOUNDATIONAL ASSETS

## CONSUMER E-NEWSLETTER

### ACTIVITY KPI:

Ensure a minimum of 20% open rate on monthly consumer e-Newsletter



**Respect RED ROCK COUNTRY**

SEDONA ARIZONA

ABOUT US THINGS TO DO EVENTS TRIP PLANNING EXPERIENCE

*Respect and Responsibility*  
HELP KEEP SEDONA'S TRAILS ACCESSIBLE

**Happy National Take a Hike Day!** In Sedona, we're celebrating the day by getting out on any one of our 200+ trails. Locals know the immense value of being out in nature, and try to take advantage of that opportunity daily. Locals also know how vital it is to recreate responsibly on our public lands.

Before your arrival, we kindly ask you to please add your name to our [Sedona Cares Pledge](#) and commit to following the [Seven Principles of Leave No Trace](#). The Pledge and Principles include packing out trash, leaving nature as you found it, being courteous to others, honoring natural silence, respecting Sedona's neighborhoods, staying on trails and more. Doing your part is not difficult and makes a large contribution to our preservation efforts, allowing you to show your appreciation for the

**Respect RED ROCK COUNTRY**

SEDONA ARIZONA

ABOUT US THINGS TO DO EVENTS TRIP PLANNING EXPERIENCE

**Did you know that Sedona's land is sacred?**

Visitors come to Sedona to experience the beauty and magnificent terrain of this ancient place and its powerful vortices. This land, once home to our indigenous ancestors, is inherent in the many petroglyphs and ancient ruins found throughout Sedona. We honor and respect the sacred ground that was once inhabited by the Hopi, Apache, Yavapai and the Zuni communities.

We ask that you take our [Sedona Cares Pledge](#), to honor and [Respect Red Rock Country](#) and make a commitment to follow the [Seven Principles of Leave No Trace](#). We are a keeper, a steward, a watcher, a caretaker of this sacred canyon. We have been given a great responsibility and ask that you join us by protecting our beautiful land.

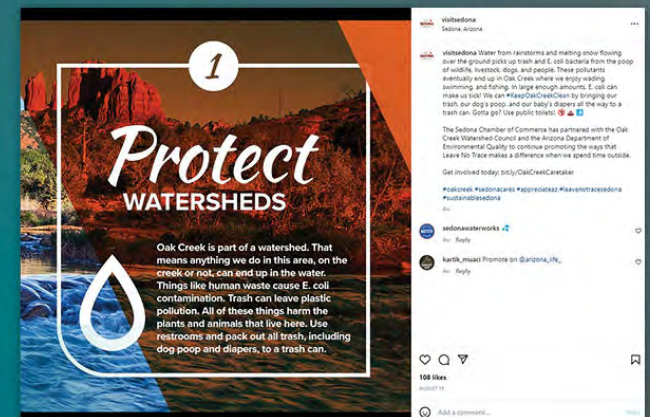
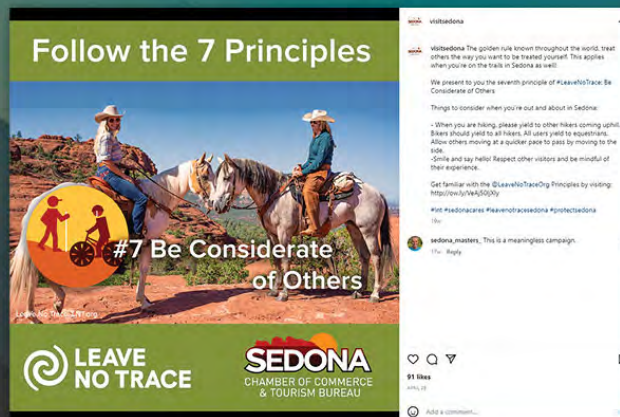
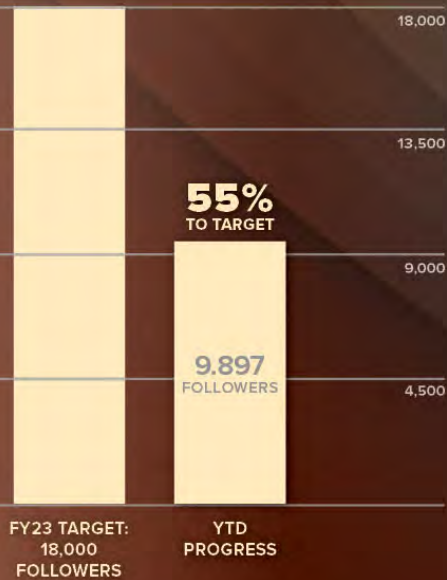
Show That You Care

# FOUNDATIONAL ASSETS

## SOCIAL MEDIA

### ACTIVITY KPI:

Increase total number of social media followers by 18,000





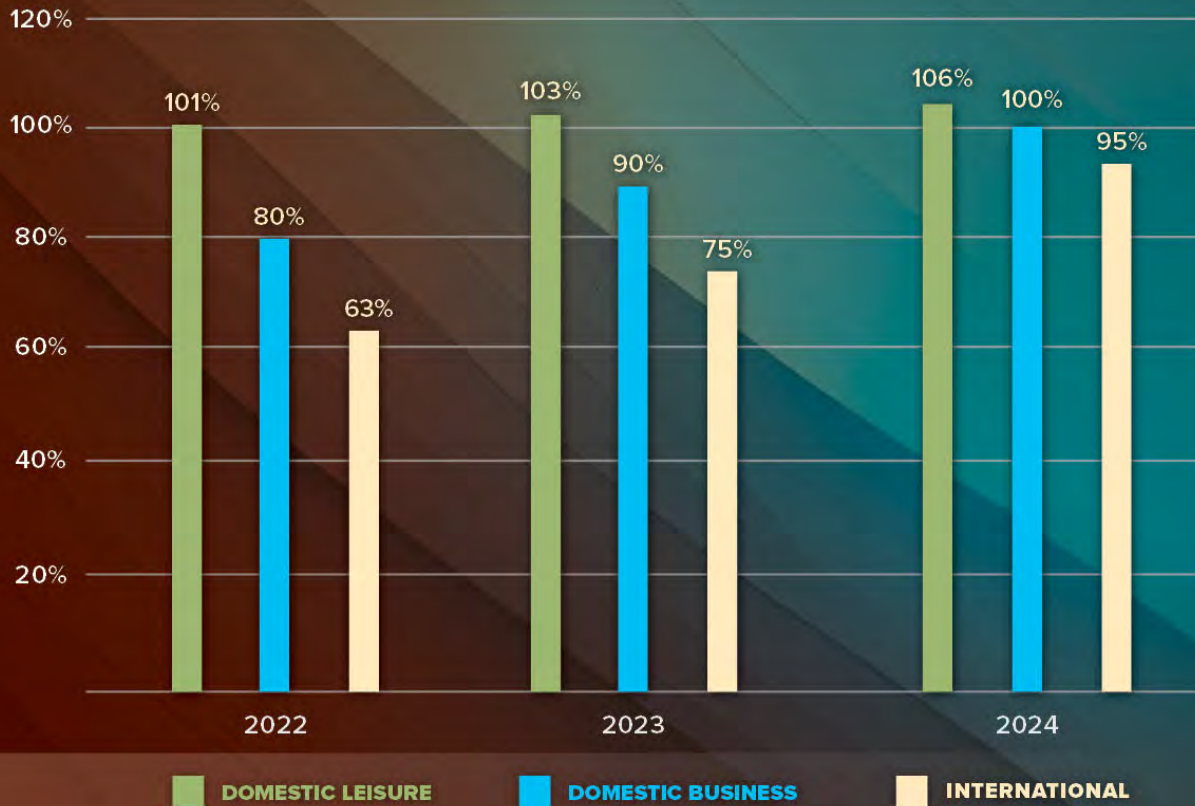
# FY24: PRIORITIES AND PROGRAMS

- Current state of economy
- Community priorities that the SCC&TB can impact
- Programs to Continue, Discontinue, Start

# **CURRENT STATE OF ECONOMY**

# DOMESTIC AND INTERNATIONAL PERSON TRIPS

% RECOVERED COMPARED TO 2019

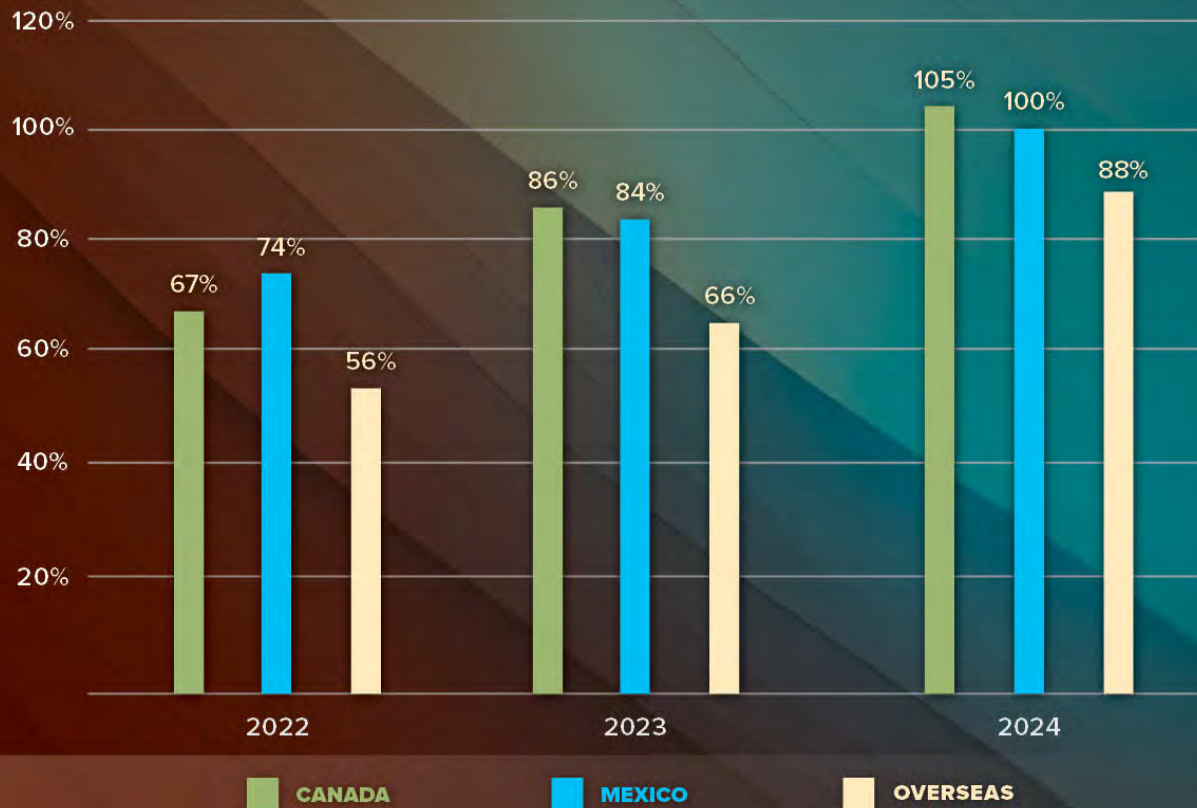


- According to Tourism Economics, in 2022 domestic leisure travel fully recovered to 2019 stabilized levels and should reach 103% of 2019 performance in 2023 and 106% in 2024.
- International travel is the slowest to rebound from 2019 levels, increasing from 63% of 2019 levels in 2022 and reaching 95% of 2019 levels by 2024.

Source: USTA and Tourism Economics

# INTERNATIONAL ARRIVALS BY REGION

% RECOVERED COMPARED TO 2019



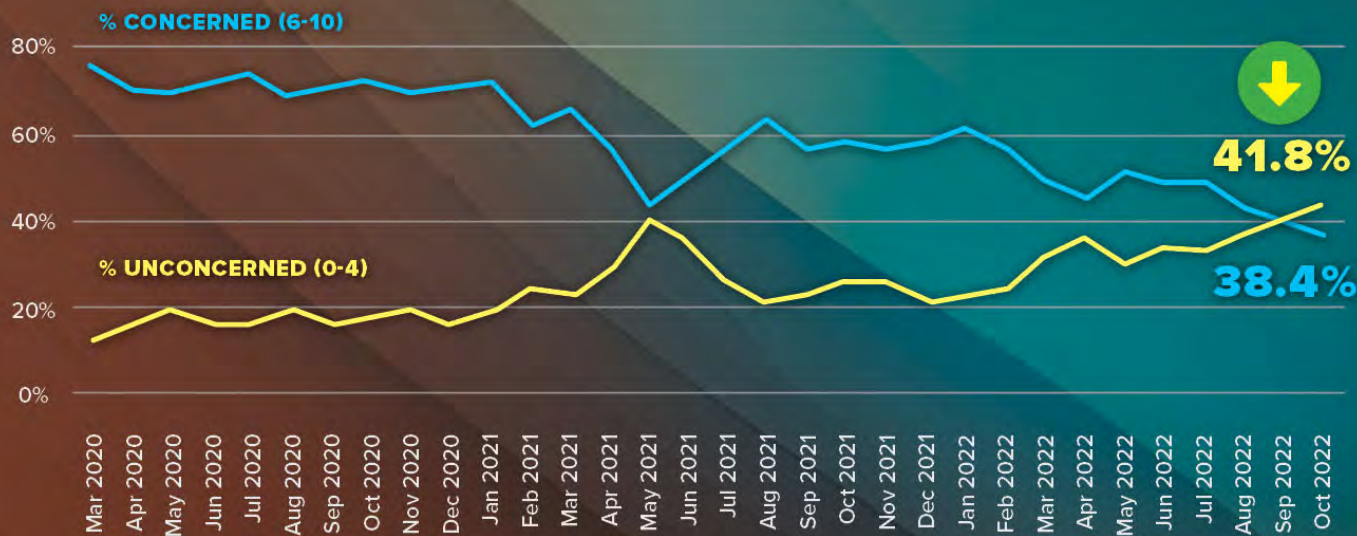
- The foreign traveler has been an important component of Sedona travel in the past and this sector has been slower to recover. In 2022, Mexico had rebounded the most at 74% of 2019 levels, followed by Canada at 67% and Overseas at 56%.
- While forecasted to improve in 2023, its not anticipated for any of the three to reach 2019 levels until 2024, with the Overseas market only reaching 88%.

Source: USTA and Tourism Economics

# DESTINATION ANALYSTS

## TRAVELER SENTIMENT INDEX

Thinking about the current coronavirus situation, in general,  
**HOW CONCERNED ARE YOU PERSONALLY ABOUT CONTRACTING THE VIRUS?**



- The percent of American travelers “unconcerned about contracting Covid” exceeding those concerned finally occurred in the Fall of 2022 signaling positive signs about continued improved health in the U.S. travel market.

Figure 1: Changes over time in levels of American travelers' personal concern about contracting the virus, starting March 2020.

Source: Destination Analysts



While moderated Covid concerns is good news, American travelers expect that the U.S. will enter a recession soon, with two-thirds now believing this economic outcome to be imminent (interestingly, this belief spans generations, geographic regions and income levels). As such, **68% of American travelers say they are being careful with their money as a result of recessionary fears. Of this group tightening their wallets, 79% said this includes reducing expenditures on travel.**

- Destination Analysts

The **top deterrents to travel Americans report continue to center around financial and cost issues**, with gas being too expensive, travel in general being too expensive, personal financial reasons and airfare being too expensive topping the list as reasons that have kept Americans from traveling more than they would have preferred.

**This is concerning, particularly for higher cost destinations like Sedona.**

- Destination Analysts

**Strong Dollars opens more International Interest** - The U.S. dollar is stronger than it has been in a long time, making international travel look especially attractive. As of early December 2022, the dollar and euro are almost 1-to-1 and currency exchange rates to many other popular destinations are also favorable. Travelers have been heading to lower-cost countries for years as a way to get more for their money. **This will likely negatively impact Sedona who had benefited from high-end travelers putting off international travel in 2021 and 2022 opting for high quality domestic destinations.**

- Forbes Advisor

**Travelers will continue to prefer short-term rentals over big chain hotels** - More people are renting out their private spaces and buying second homes to turn into vacation rentals to supplement their income, according to The Wall Street Journal. Airbnb also released data indicating 2022 saw a significant increase in new listings, and new hosts in the US earned over \$1.8 billion, up 34% from the previous year.

- *Travel Daily Media, 2023 Trends*

**“Work from roam” is the new “work from home.”** - Remote work gave people the possibility to “work from roam,” as of the second quarter of 2022, Airbnb saw long-term stays (28 days or more) increase nearly 25 percent from 2021 and nearly 90 percent from 2019.

- *Travel Daily Media, 2023 Trends*

**Increased Demand Whole Home Stays** - Demand for Vrbo’s whole, completely private vacation homes in US western destinations is up by more than 30%. US travelers are drawn to scenes in outdoorsy destinations with mind-blowing landscapes.

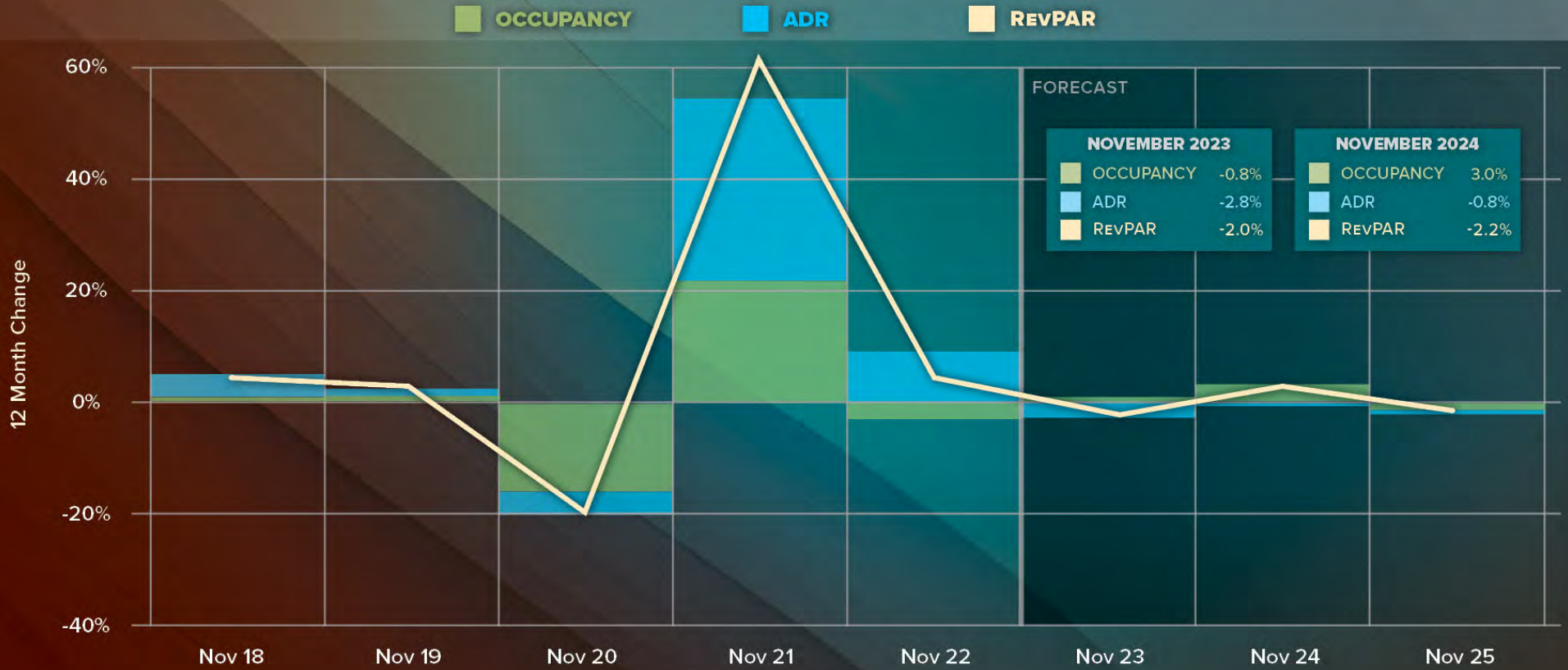
- *Vrbo*

## **NATIONAL FACTORS THAT COULD NEGATIVELY IMPACT SEDONA:**

- Recessionary concerns damping travel activity – potential for overall slowing.
- Return to Urban Destinations – lack of high-end urban interest benefited Sedona over the last couple of years
- Strong Dollars opens more International Interest – more high-end travelers choosing international options – again the lack of international travel in 2021 and 2022 benefited Sedona
- “Work from roam” and continuing Short-Term Rental usage increasing whole house demand by leisure travelers - only becoming more of an issue for Sedona

# REGIONAL TRAVEL FORECAST

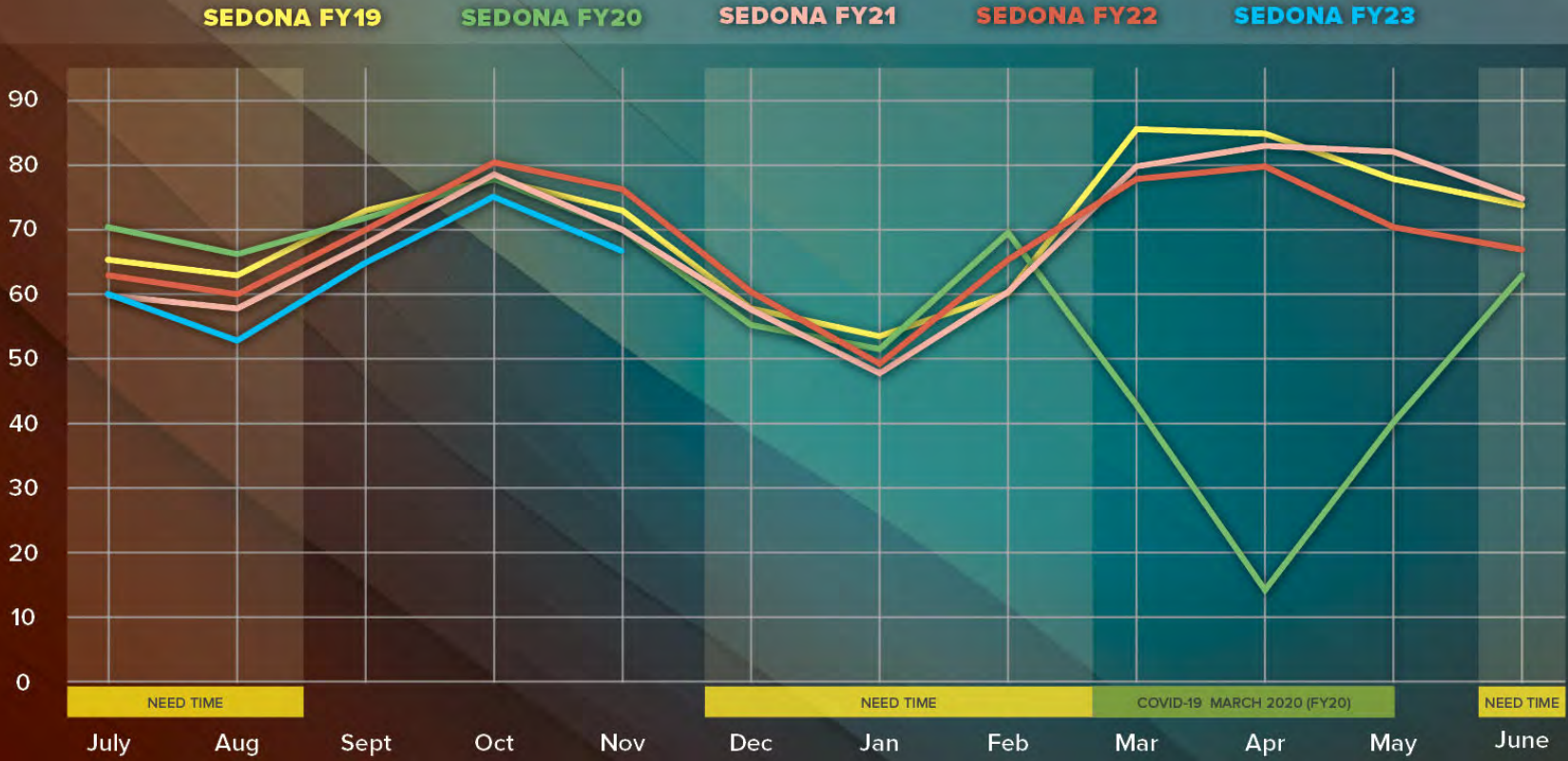
PRESCOTT AND SEDONA REVPAR GROWTH DRIVEN PRIMARILY FROM ADR



Source: Smith Travel Research

# SEDONA AREA TRADITIONAL LODGING PERFORMANCE

OCCUPANCY % COMPARISON FY23 YTD (JULY – NOVEMBER 2022)



Source: Smith Travel Research

# COMMUNITY PRIORITIES

## COMMUNITY PRIORITIES

- Transit Communications
- Short-Term Rental Sector Collaboration
- Visitor Education/ Responsible Recreation
  - OHV
  - Proper land usage
- Destination Brand Positioning and Visitor Attraction
- Destination Sales for long-term benefit
- Visitor Management through Visitor Center
- Sustainability Support

# **PROGRAMS TO CONTINUE, DISCONTINUE, START**



**PROGRAMS TO CONTINUE**

**PROGRAMS TO DISCONTINUE**

**PROGRAMS TO START**

Transit Marketing	Online Toolkits - Transit	Destination Branding and Marketing
Visitor Education - Geofencing	Sedona Cares Pledge	City-wide Banners - Leave No Trace
In-Room Videos	VVREO Business Sustainability Certification	
Frontliner (formerly: Concierge Connection)		
AOT Rural Co-Op		
OHV/Tread Lightly!		
Sedona's Secret 7		
LNT - Voluntourism and Proud Supporter		
Short-Term Rental		
Sedona Trail Keepers		
Fly Friendly		
Sales - Group/Meeting and Travel Trade		
Media Communications and Relations		
Research		
Foundational - VisitSedona.com, Consumer e-Newsletter, Social Media, etc.		

# SHORT-TERM RENTAL PROGRAM

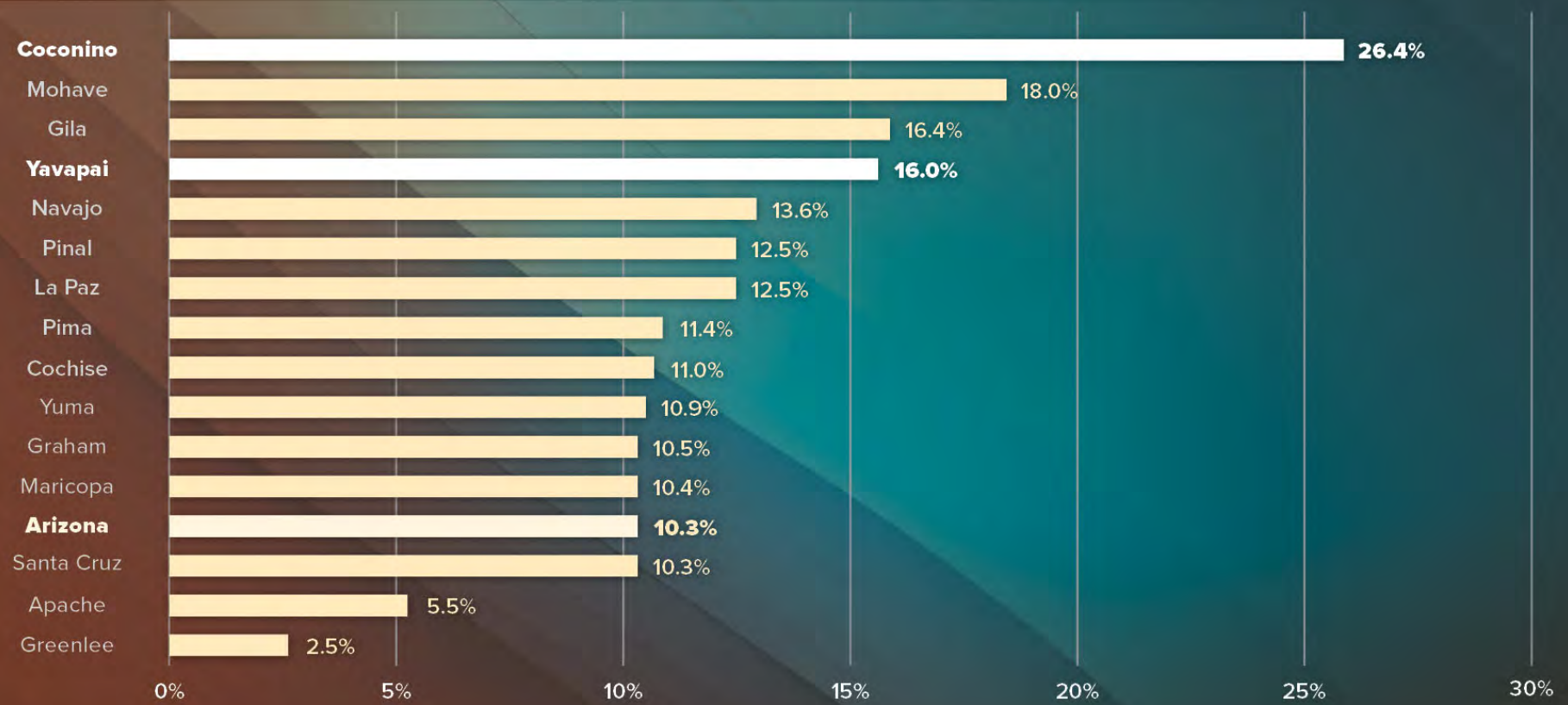
- We've added 411 STR units to the Frontliners program. Currently we are providing Sedona/Verde Shuttle info, Experience Sedona Guides, Secret 7 Hiking information to these property managers.
- Would like to provide these companies with access to a toolkit.
  - Toolkit would include electronic information that could be included in communications with guests
    - Secret 7
    - RespectRedRockCountry.com link
    - Emergency Plan link
    - Link to the Good Neighbor Brochure
- Would like to build a Good Neighbor program with the City.
  - We could create a certification program where owners/managers become certified Good Neighbors by completing some information, performing a few tasks...
  - Looking forward to producing an electronic file that could be used in confirmation communications to add to a STR Toolkit

# FRONTLINER PROGRAM

- Super excited to start the Frontliners After Hours quarterly events!
- Name change to Frontliners Program.
- Would like to add a submission process for the Frontliners e-Newsletter to give the concierge a way to suggest information they want in the newsletter.
- Would like to CXL concierge connector and instead hire a delivery service to deliver the materials.
- Concierge Connection Network monthly meetings will be attended by a SCC&TB staff member as frequently as is allowed by the association leader, Pete Sanders.

# TOURISM INDUSTRY IS CRITICAL TO RURAL ARIZONA

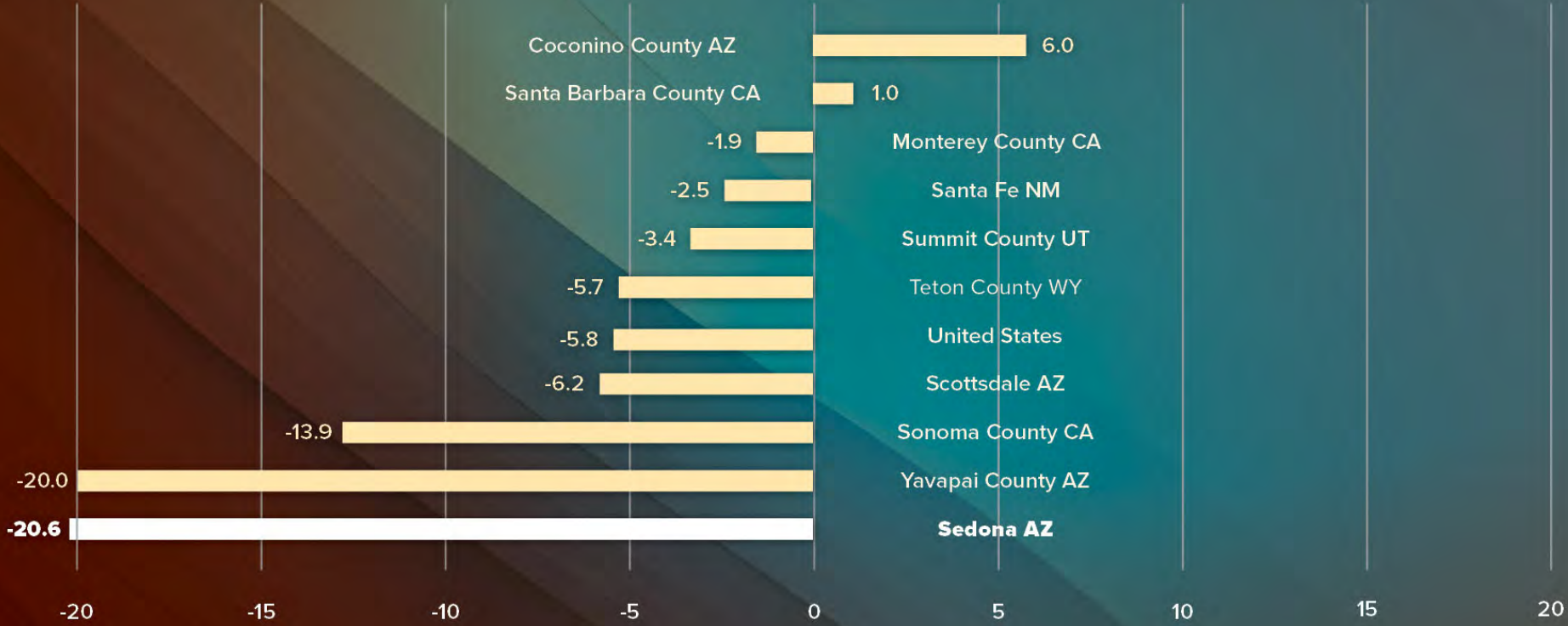
## TOURISM EMPLOYMENT BY COUNTY



Source: U.S. Bureau of Labor Statistics via Jim Rounds Consulting Group

# COMPETITIVE DESTINATIONS

FY23 OCCUPANCY % CHANGE FROM FY19 (JULY - NOVEMBER)



Source: Nichols Tourism Group

# DESTINATION SERVICES FUNNEL



*Thank You!*



[SedonaChamber.com](http://SedonaChamber.com) | [VisitSedona.com](http://VisitSedona.com)