



Onondaga County Legislature

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Chairman

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Deputy Clerk

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WAYS AND MEANS COMMITTEE REVIEW OF THE 2018 TENTATIVE BUDGET PLANNING & ECONOMIC DEVELOPMENT DEPARTMENTS – SEPTEMBER 25, 2017 DAVID H. KNAPP, CHAIRMAN

MEMBERS PRESENT: Mr. Jordan, Mr. May, Ms. Williams, Mrs. Ervin

MEMBERS ABSENT: Mr. Kilmartin, Mr. Shepard

ALSO PRESENT: Chairman McMahon, Mr. Plochocki, Mr. Liedka, Mr. Ryan, Dr. Chase; see attached

Chairman Knapp called the meeting to order at 2:10 p.m.

Visit Syracuse: (3-33, A695700) Carol Eaton, Vice President of Marketing and Interim President; Tracey Burkey, Vice President of Engagement; Frank Caliva, Board Treasurer

Good Afternoon –

I'm Carol Eaton, Vice President of Marketing for Visit Syracuse and currently serving as Interim President. Here with me today is our Vice President of Engagement, Tracey Burkey, and our Visit Syracuse Board Treasurer, Frank Caliva.

Thank you for your time on this beautiful Central New York Autumn afternoon.

At this time of year, budget review time, we have presented to you in a variety of formats, and we received some very favorable feedback when our presentation packet was small, concise and efficient. That is what you have in front of you and what we'd like to go through with you today.

We'll be reviewing each tab individually to cover:

- *An overview of the organization.*
- *A sampling of some of our newer programs*
- *A Sales & Services Update*
- *Some of the ways we have provided inspiration to visit our destination*
- *The current revenue situation.*
- *And then finally look at the upcoming 2018 USBC Open Championships*

You'll see in the first blue tab, and I'm sure most of you here today already are aware of this, but 2017 marks our first year as a newly formed not-for-profit corporation. We have a dedicated Board of Directors Chaired by Mr. Ed Brennan, owner and CEO of Beak & Skiff & 1911 Spirits. (Ed's business has him travelling internationally today, so unfortunately he is unable to be here) We remain the official Tourism Promotion Agency for Onondaga County, as Visit Syracuse, Inc.

Emphasize on The Challenge:

- *Currently trending with our Upstate New York peers as well as a national competitive set, but, we have a larger supply and we continue to build more rooms.*
- *Center of the State is our biggest selling point.*
- *Demand for Upstate is flat. We have to shine.*

VISIT SYRACUSE

Visit Syracuse, (formerly Syracuse Convention & Visitors Bureau) a newly formed not-for-profit corporation, is the official destination sales & marketing organization for Onondaga County. We generate economic benefits for the region through the attraction of convention, group & leisure visitors. We also work to provide a positive experience for all guests through collaborative and engaging programs with our local hospitality industry partners.

Our Mission: Drive Tourism Demand



3.6% Room Revenue increase even with highest Room Availability increase*

2nd highest % increase of Rooms Sold (not including NYC)*

*per *Smith Travel Research*

THE CHALLENGE:

Current and future major increases in room inventory, and the development of additional venues, pose unprecedented challenges. Expanded and diverse new business opportunities must be a major focus of our destination sales and marketing efforts.

What They're Saying:

"I read your most recent Visitor's Guide and thought it was the most concise; information filled guide I've ever seen. The content is helpful and the ads minimal. I read it thoroughly and shared lots of information with my wife. Who will be living in Syracuse with me for the entire six months."

- Duane Hagen
Tournament Director, USBC

THE RESEARCH SHOWS:*

Onondaga County had a 1.5% growth in travel spending.

Onondaga County produced over \$865M in travel spending. Creating over \$65M in local tax and \$48M in state tax.

The Onondaga County travel industry employs over 17K people = 7.2% of county employment.

*per *Tourism Economics 2016 Report*

NEW PROGRAMS



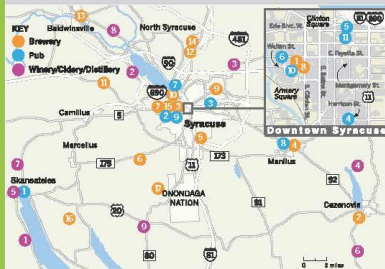
Travel Trade

Increasing group tour/travel trade business to Syracuse & Onondaga County became a priority with the establishment of a contracted Travel Trade Manager. Goals set forth included enhanced development of our group tour product, and lead lists for Domestic/Canadian & International Group Tour Operators.

- Attended 5 Travel Shows including:
ABA Marketplace (OH) - 3300 participants & IPW (D.C.) - 7000 participants
- Hosted 41 International Tour Operators from around the world including: China, Ireland & Canada. Held 3 Seminars/Workshops for area partners including: Motor Coach Ready Seminar

Syracuse – Official Home of Winter®

Designed to reconfigure the winter season as a statement of pride, with a goal of making Winter a more lucrative season for our local tourism industry and area businesses, highlighting everything good about Winter. Year One began to change the conversation about the perception of our Winters. With the expertise of a partner agency, Year Two will move forward to expand the footprint to include Central New York regional experiences.



Sip on Syracuse - Official Beverage Trail

To create wider recognition of the dozens of craft breweries, cideries, wineries and distilleries in the region, Visit Syracuse is partnering with area businesses to promote our Official Beverage Trail. The program will include a passport book, route suggestions and a web presence.

SALES & SERVICES

	Y-T-D 2016 (Jan. - Sept.)	Y-T-D 2017 (Jan. - Sept.)	
RFP Room Nights	65,396	75,480	↑15%
RFP Value	\$42,495,188	\$51,790,158	
Booked Room Nights	23,806	30,519	↑28%
Booked Value	\$21,336,512	\$29,414,246	

Future Definite Convention/ Meeting/Event Business:

	2018	2019	2020
Total Room	98,570	10,602	3436
Nights:			

Future Tentative Convention/ Meeting/Event Business:

	2018	2019	2020
Total Room	9168	22,536	11,956
Nights:			



Highlights of Recent Activity

Skills USA

18 hotels and the NYS
Fairgrounds
Booked for 2022,
2023 & 2024

Facilitated NYS Assn. of Fire Chiefs Site Visit

Coordinating partner tours
of hotels, Oncenter, fire &
rescue training facilities, area
attractions, etc. Potential to
relocate from Turning Stone to
SYR for 2019, 2020 & 2021.
Decision pending.

International Trails Symposium

Collaborated with County
Parks, S.U., CNY Regional
Planning & Development
Board, NYS Parks &
NYS Assembly members
(among others)
Booked for 2019

North American Travel Journalists Assn. Conference

Includes extensive pre- and post-conference journalist fam tours
Booked for 2019

Some of our Services:

- Staffed Hospitality Centers
- Name Badges
- Press Releases
- Visitors Guide/Information Distribution
- Welcome Signage
- Attendance Building

What They're Saying:

"Great team of people--we work with many CVBs and your staff really raised the bar!"
- Vilma Fraguada,
Good Sam RV Club

"The excellent service and personal attention of Visit Syracuse is one of the major factors that led us to choose Syracuse this year. You are far above other nearby visitors' organizations in the amount and quality of services you offer."
- Maureen Edmonds, NYS Teachers of Eng. to Speakers Of Other Languages

PROVIDE INSPIRATION

IN THE NEWS

250
Number of Travel
Writers Assisted
(YTD)

Including: *New York Times*
Travel, *Fox News*,
Today Show

71
Number of Travel
Writers Hosted
(YTD)

Including: *World's*
Greatest (ION Television),
The Daily Meal, *Huff Post*



70
Pieces:
Published or
Broadcast
(YTD)

Top Publications:
Travel + Leisure,
Forbes Travel Guide,
CNN, *Conde Nast*,
USA Today



"The Finger Lakes weren't originally on our itinerary, but I'm so glad our plans had to changed to include Syracuse and the positively wonderful town on Skaneateles Lake. I'm now itching to head back to see all the lakes in the region..."

- The Chica Travelista

ONLINE



Y-O-Y 2016-2017

Average session
duration for all traffic to
VisitSyracuse.com up
11.68%

Most visited page?
**Calendar
of Events**

2018 REVENUE OPPORTUNITIES

Visit Syracuse is funded by an allotment of the room occupancy tax and assists in generating a portion of this tax through marketing, sales and visitor services.

Visit Syracuse Budget

<u>REVENUES</u>	2017	2018
Onondaga County Contract	\$ 1,910,000	\$ 2,015,500
Onondaga County Contract (Right Coast/Nationals)	\$ 25,000	\$ 25,000
Additional Revenues	\$ 308,440	\$ 314,000
TOTAL REVENUE	\$ 2,243,440	\$ 2,354,500
<u>EXPENSES</u>		
Personnel Expenses	\$ 1,006,140	\$ 1,054,300
Organization & Structure	\$ 434,200	\$ 455,800
Brand Dev. (Marketing)	\$ 378,000	\$ 327,000
Business Dev. (Sales)	\$ 209,100	\$ 304,400
Visitor Experience (Services)	\$ 216,000	\$ 213,000
TOTAL EXPENSES	\$ 2,243,440	\$ 2,354,500

Conversations are moving forward with WCNY to combine the current Visit Syracuse TAP (Tourism Assistance Portal) system, with a next-level community-wide kiosk system. TAP System hardware will be repurposed and incorporate WCNY's more user-friendly programming, custom-designed specifically for the Syracuse-area community.

The Visit Syracuse Board of Directors, and the Greater Syracuse Hospitality & Tourism Association, are exploring the potential of a TID – Tourism Improvement District. The board is committed to careful and thorough examination of the process, transparency and understanding within the local hospitality industry, and credibly projecting revenue potential.



Together with Empire State Development, I Love New York & Destiny USA, Visit Syracuse will be operating an Official Central New York / Finger Lakes Region Welcome Center. Located onsite at Destiny USA, and scheduled to open in November 2017, the Center will include a Visit Syracuse retail operation featuring Syracuse-area products.



Mr. May sees a strategic shift with the marketing/brand development expense down \$50,000, and the business development expense up \$100,000. Is this a shift in approach, or mindset? Ms. Eaton replied that they pulled back on advertising, and moved it to public relations. It takes more man power as far as hosting journalists, but it is less of a direct buy of ad sales. At the direction of the new board, and board chair, Visit Syracuse is pushing forward with a strong sales effort next year. Hotels and restaurants are asking for it, because they know the importance of conventions and events. Ms. Burkey commented that last year they started a contractual agreement to bring on a Travel/Trade Sales Manager, and that has increased motor coach business for upcoming years. Mr. May agrees with the answers and shift in mindset. Marketing is great, but sales results translates to room tax, sales tax, and lower property tax bills.

Mr. Jordan asked how they came up with the numbers on the blue tab stating “Onondaga County produced over \$865 million in travel spending creating over \$65 million in local tax and \$48 million in state tax.” Ms. Eaton responded that it comes from a report from Tourism Economics, which is prepared by Oxford Economics. It is a thick report that covers the state, the 11 regions in the state (this is Finger Lakes Region), and then drills down to each County in the regions. Ms. Eaton would be glad to send the report to Mr. Jordan. Mr. Jordan’s understanding is that sales tax is not reported, so there is no way to know how much sales tax (i.e.) DestiNY produces. There are gross sales tax numbers, so Mr. Jordan is not sure how they can figure out how much travel spending is driving the numbers. Chairman McMahon thinks the numbers are based on travel spending per person. They estimate how much a person will spend out of town (i.e. \$30 per person), and then they base it off those numbers to figure out the impact. Mr. Jordan wants to know what is underlying the numbers. The response given previously is that it is a standard factor in the industry, which means nothing.

Mr. Fisher:

- 2 types of measurements: Macroeconomic Statistics kept by federal government – that’s where to get gross numbers
- i.e. How big is the gross domestic product of the County of Onondaga? How much falls into this sector of the economy?
- Methodology is extremely sound; all kinds of labor stats, spending stats, and tax stats; that’s how get to big numbers
- Impact of specific event (i.e. Bowlers or Canal Conference) does not come from federal government
- Comes from someone that takes an econometric model saying how many people are coming, how many nights they’ll stay, how much they’ll spend per night, how many meals they’ll buy, etc.
- This is not based on survey data, but what data they have and an economic model that forecasts it
- Lot of good information, and Carol (Eaton) can get as much information as Mr. Jordan wants

Mr. Jordan:

- Asked for this number of times; Have the general standards been tested? Is this an accurate forecast?
- Yet to see anything on this; background in economics, and Economists are all over the board on particular issues
- To say it’s absolutely correct is not accurate; looking for studies to show these are accurate forecasts
- Every year the County spends a couple million dollars; not sure there is anything to indicate any uptick in sales tax revenue or room nights are a result of Visit Syracuse

Ms. Burkey:

- Destinations International came out with an economic calculator for destinations specifically for the travel industry
- In the process of securing that system, which is integrated with Visit Syracuse’s CRM system
- Would be happy to walk Mr. Jordan though where they came up with the numbers
- Based on pie chart - individuals lodging expenses, shopping expenses, restaurant expenses, transportation expenses
- This particular model drills down into specifics on flights vs. driving per destination; Syracuse more driving destination
- This is brand new, but most significant way to explain numbers

Mr. Jordan is interested to see it, but from personal experience, those types of metrics are all over the board.

Chairman McMahon requested that Ms. Eaton get Casey (Jordan) the report.

- One colleague who manages a hotel in Carrier Circle said during the Fair, every hotel was booked; Visit Syracuse did not bring in the NYS Fair, but part of their job is promoting it
- During Nationals, the hotels were all booked; Visit Syracuse is a part of this, and the County funds the Nationals
- Report will hopefully answer some questions on the macroeconomics; people who do this for a living, live and die by the numbers, because the marketing dollars create more opportunity

Ms. Burkey replied to Mr. Ryan that Onondaga County is not the only county working off this model. One frustration throughout the years is that each destination measures things differently. It is hard talking to a

convention planner comparing their value in Chicago versus here in Syracuse; different type of destination. With Destinations International launching this economic calculator, it offers a standard for all destinations, and also takes into consideration specifically what the destination is (including cost of living, hotel rooms, etc.). It allows accuracy, and to be able to compare apples to apples with destinations across the world. Mr. Ryan said there will always be a certain amount of subjectivity, but if Syracuse and other cities use the same calculator, then it is something they can count on. Ms. Burkey agreed.

Chairman Knapp wanted to know what goes into setting up a craft brewery trail. Ms. Eaton:

- Gather all breweries together; some with stronger marketing teams; some extremely grateful to be at same table
- Will put together after several meetings, and determine how experience will be for consumer
- Some breweries able to contribute more; consumer wants big ones like Beak and Skiff, and little ones
- Once all together, will create collateral marketing material and online material to show route; person can cater to the time frame they have available - ideally they would build in a room night; ultimate goal

Chairman Knapp said the trail group in 2019 will be a lot of coordination between different entities (i.e. Parks). Is the ground work being done for this, so folks know about it? Ms. Eaton:

- Local Organizing Committee critical; Tracy will be lead; 3 different local organizing committees for this event
- American Trails Magazine featured full page on Syracuse hosting event in 2019; shows things to see and do while here
- Event in June 2019

Ms. Burkey:

- Will work with Parks; need Logistics Committee to put together all the trails - bring in experts for this
- Believe in November some folks from Trails will be in for site visit to say what is needed
- Will be creating a Local Organizing Committee for hospitality; make sure community is ready to receive the participants

ABOUT USBC OPEN CHAMPIONSHIPS

LOGISTICS

The tournament will run for 107 consecutive days
(March 24– July 8)

The Oncenter will be transformed into a 48-lane bowling facility.

It will feature the world's largest mobile scoreboard, office and vendor space, a concessions area, locker and squad rooms, and seating for hundreds of spectators.

BUY LOCAL

Much of the lumber and materials are bought locally before construction begins, and any salvageable materials will be donated to a local charity when the event concludes.

7,500 – 10,000 five-player teams, plus their friends and families. Competitors spend approximately 3.5 – 4 days in the host city, with about 8 – 10 hours in the venue. There will be a steady flow of

bowlers in and out of town each day. The economic impact \$75 – 100 million.

**\$75 -
100M**

FUN FACTS

The amount of lumber used during the building process is enough to construct about four three-bedroom homes.

10

More than ten miles of electrical, internet, and fiber cable is required. The venue is wired with enough electricity to power ten homes.

Host Cities

#Teams

2013	Reno, NV	10,253
2014	Reno, NV	9,024
2015	El Paso, TX	7,315
2016	Reno, NV	8,063
2017	Las Vegas, NV	
2018	Syracuse, NY	
2019	Las Vegas, NV	
2020	Reno, NV	

GOING BACK, BACK

The 2018 event will mark a much-anticipated return to the East Coast, and the tournament's first visit to Syracuse since 1999.

The championship lanes will be host a second major event, as the USBC Masters makes its way to the Open Championships venue in 2018 for the first time since 2011.

USBC BUDGET

Expense	Amount
PRE-EVENT	
Warehouse rental	\$80,000.00
Trucking costs/forklift operators	\$3,000.00
Staging Area - NBT Stadium	complimentary
NBT Stadium Dispatcher & plowing	\$1,000.00
TOTAL Pre-Event	\$84,000.00
FACILITY	
Onsite storage for load-in	\$40,000.00
Riser Rental	\$65,000.00
Front Window shades	\$2,000.00
TOTAL to meet bid commitments	\$107,000.00
VISIT SYRACUSE	
Visitor Engagement Training Program	\$15,000.00
Client Events for future sales opportunities	\$5,000.00
Visitor Center Set-up and Design	\$15,000.00
Visitor Center Staffing	\$35,000.00
Signage	\$20,000.00
Marketing	\$10,000.00
Local Organizing Committee	\$1,000.00
TOTAL Visit Syracuse Hospitality Costs	\$101,000.00
TOTAL Budget Event Hosting Costs	\$292,000.00
CURRENT COST REQUEST	
Oncenter Lost Business	\$1,382,610.00
Visit Syracuse hosting costs	\$292,000.00
Bid Fee Balance	\$1,300,000.00
Contingency	\$50,000.00
	\$3,024,610.00
OVERALL COST SUMMARY	
Oncenter Lost Business	\$1,382,610.00
Visit Syracuse Hosting Costs	\$292,000.00
Total Bid Fee	\$1,800,000.00
Contingency	\$50,000.00
	\$3,524,610.00

Ms. Burkey (referencing USBC budget page)

- 2018 Open Championship – Bowlers here next March; secured warehouse, and have some of their materials here
- October, Construction Committee will go over logistics; December will start building 48 lanes
- Requesting additional funds (asterisk items are expenses incurring this year)
- Pre-event expenses – reviewing each expense; looking at cost to bring additional equipment to facility for staging loading needs and actual event; need to put up tent to stage when coming from NBT to load in (cannot use garage)
- Riser rentals part of contract for spectators
- Front window shades – experience in 2011 that sun shines through front of Oncenter door and onto lanes, which makes it hard to compete
- Hospitality Committee - assure community is welcoming participants; visitor training program for frontline (meeting guests), so they are prepared - aware of what tournament is, how to get around (not only to Oncenter)
- Participants spend a max of 8 hours bowling at Oncenter; rest of time spent in community dining and shopping, etc.
- Total hosting budget \$292,000; last week Oncenter addressed lost business revenue; Visit Syracuse hosting costs; bid fee was \$1.8 mil; signed contract in 2013, and put down \$500,000; balance of \$1.3 mil due in January
- \$50,000 contingency, try to anticipate every cost, but something may come up

Mr. Jordan feels signage is very important not only for where the Oncenter is, but directing participants to different sites and entertainment venues (i.e. DestiNY). Ms. Burkey:

- There will be signage at the airport; 2 tables at each baggage claim to be staffed at peak hours with information on how to get to hotels and Oncenter
- Visitor's Center set up for entire 107 days of tournament at Oncenter to direct people, help with dinner reservations, maps, etc.; also visitor information at every hotel directing them to person staffed at Oncenter
- At time of tournament, Visitor's Center at DestiNY will be open, so information will be available there
- Have pole banners going up, banners around town – plan to flood area with signage
- No requirement for shuttling, so it will be up to the participants, whether they drive in, or work with the hotel for shuttle
- Majority of hotels will tell guests if they have a van they are not currently using for airport shuttle, then they would be willing to transport to dinner, Oncenter, etc.; based on availability

Ms. Eaton commented that when the women (bowlers) were here previously, there was a sophisticated shuttle system set up. The men's group rent cars upon arrival, and plan their own routes and itineraries. Chairman Knapp said assuming the participants rent cars and drive to the Oncenter, how will the parking be accommodated. Ms. Burkey replied the Oncenter is offering a special rate for bowlers at the open lot and garage. Mr. Fisher commented that the Oncenter will not be having the normal events it usually has, which should free up space. How many cars does a bowling team need? How long will they stay? Ms. Burkey said the magnitude of the event is incredible, but the daily attendance is 800 – 1,200 bowlers scattered every day.

Chairman Knapp asked Mr. Fisher if the new marquees will be up for this event. Mr. Fisher does not know the answer, but will try to circle back on that.

Mr. Jordan asked how many open spots are in the parking garage, and Ms. Eaton said approximately 1,100. Mr. Fisher believes the parking garage has 1,000, and the open lot is in the low 300's. Mr. Fisher said a bowling team is about five guys who will rent maybe one or two cars. Ms. Burkey commented that some will use shuttles, taxis or Uber to get to the Oncenter as well. Mr. Fisher said Mr. Owens pointed out there is also the trolley lot for overflow.

Ms. Burkey answered Chairman Knapp that there will be people stationed at the airport at both baggage claim areas. They will monitor the peak flights to keep the tables staffed at those times, and will leave information when they cannot be there.

The meeting was adjourned at 2:50 p.m.

Respectfully submitted,



JAMIE M. MCNAMARA, Assistant Clerk
Onondaga County Legislature

ATTENDANCE

COMMITTEE: W&M Review of Planning & Economic Dev. Depts

DATE: 9/25/17

NAME (Please Print)	DEPARTMENT/AGENCY
Carol Eaton	Visit Syracuse
Tracey Burke	" "
Frank Caliva	" "
Tom E. Law	Thos E. LAW - private cit
Jim Maturro	Comptroller
Matt Beadnell	Controller