

City of Albuquerque

Lodgers' Tax Advisory Board



Chairman: Fred Mondragon
Vice Chair: Tushar Patel

Board Members:
Jesse Herron
Philip Snyder
Cathryn McGill
Sean Jariwala
Kara Grant

Minutes from April 25, 2019 Meeting

The regular meeting of the City of Albuquerque Lodgers' Tax Advisory Board was held on Thursday, April 25, 2019 at 4 p.m., at the Albuquerque Hispano Chamber of Commerce, Wells Fargo Room, Fred Mondragon, Board Chair, called the meeting to order at 4:10p.m.

In attendance:

Board Members

Fred Mondragon
Jesse Herron
Kara Grant
Phillip Snyder
Cathryn McGill

City of Albuquerque

Jose Garcia, SMG
Cilia Aglioloro, City Treasurer
Christopher Chavez, City EDD

Contractors

Tania Armenta, Visit ABQ
Jim Garcia, AHCC
Valerie Lind, Visit ABQ
Yuri Morales, AHCC

Guest(s):

Charlie Gray, Greater Albuquerque Innkeepers Association (GAIA), Michelle Dressler, (GAIA) Rebecca Plutino (GAIA)

- I. Adoption of Agenda – Additions/Deletions to Agenda –**
- Motion to approve change to the change agenda accepted:

Motion to Approve Minutes by Cathryn McGill

Second by Jesse Herron

Motion Passed – Approval of Minutes Carried Unanimously

Additions/changes to previous minutes:

Changes to Minutes: Board Q&A page 2, effective Jan 2020 Lodgers' Tax, gross receipts tax effective July 1st 2019

AAHOA – Visit ABQ did highlight opportunities for the group tour, sports and leisure business in addition to their convention and overflow business.

II. Call To Approve Minutes – Additions/Deletions to Agenda – Chair

- Motion To Approve January Minutes

Motion to Approve Minutes by Cathryn McGill

Second by Kara Grant **Motion Passed** – Approval of Minutes Carried Unanimously

III. City Treasurers Report

- **Revenue for Lodgers and Hospitality Tax**

- Lodgers: February 2019, up 27.25%. (increase of 221k)
- Lodgers Cumulative: July through February up 10.2% (increase of 832k)
- Hospitality: 206k in February 2019 (44k increase 27.25%)
- Hospitality Cumulative: 10.2% increase (1.8mil)

- **Delinquent**

- Total delinquent April 2019, \$98,720.
- Percent of Amount Delinquent vs Budgeted Amount: 0.73%.
- University Lodge: on payment plan, still owe \$10,000
- Barcelona Suites: \$25,000 lien filed on March 1st
- Treasury trying to contact TripAdvisor, VRBO (Expedia), to collect Hospitality and Lodgers' Fees. Waiting to hear back.

- **BOARD Q&A**

- **QUESTION:** (Fred Mondragon) When does the requirement kick in?
- **ANSWER:** (Cilia Agliodoro) January 1st 2020
- **QUESTION:** (Fred Mondragon) Has state worked out logistics?
- **ANSWER:** (Cilia Agliodoro) No, they are waiting on the City.
- **ANSWER:** (Tania Armenta) The State will need to identify how GRT works July 1st 2019. Lodgers tax has been discussed at State level and how it's going to work/what communities can unite so we can have a stronger presence when approaching these new Short-term Rental platforms and entities regarding the new tax reform.
- **QUESTION:** (Jesse Herron) Are there any other cities you know that have agreements with VRBO?
- **ANSWER:** (Cilia Agliodoro): Yes, VRBO has stated that they do not have to comply as they do not furnish their rooms, and that conflicts with ABQ's ordinance, so it now does not apply to them.

IV. Chairman Reports

Contractor Reports

V. SMG Monthly Report– Jose Garcia, SMG, provided the board report.

- March: 30 events, 30k attendance - 4 city wide's
- ARSC – March is kick off month - 15 events
- Occupancy at 49% in March
- 10 repeat customers – see attachment for business names

- **BOARD Q&A**

- **QUESTION:** (Fred Mondragon) Live Nation, what was that one?
- **ANSWER:** (Jose Garcia) It is an entertainment company that organizes concerts. Promoters hold facilities, bid against each other and we hold the date for whomever wins.
- **QUESTION:** (Cathryn McGill) Patio upstairs, any plans for local staff?
- **ANSWER:** (Jose Garcia) it mostly gets used when the ballroom is booked/being used
- **QUESTION:** (Fred Mondragon) do you get a lot of requests for films?
- **ANSWER:** (Jose Garcia) Yes, between March and April, there have been 4 filming events

- **QUESTION:** (Jesse Herron) What's the construction on 3rd street?
- **ANSWER:** (Jose Garcia) 3rd street is closed right now for the construction in the SW section. Projected to be closed for another 2-3 weeks, the city had decided not to close during summer so we are going on closures as needed.
- **QUESTION:** (Jesse Herron) Is civic plaza, the city, as committed to events and movie nights like in the past?
- **ANSWER:** (Jose Garcia) The senior games will occupy the area for the better part of June, we will kick off the summer programs at the end of the senior games. In terms of movie nights, we're not inclined to do anything with that screen if glitches continue.

VI. Visit Albuquerque - Monthly Report – Tania Armenta, provided board report.

- Lodger's Tax up 8.3%
- Total Booked Events down 3%
- 44 total citywides booked
- All social media is up
- **Board Q&A**
 - **QUESTION:** (Fred Mondragon) Lower room nights but higher attendance?
 - **ANSWER:** (Tania Armenta) It can mean a variety of things ranging from more locals attending the meeting to the meeting planner hesitant to commit more rooms to the room block as the attendees may be more apt to book outside the room block.
 - **COMMENTS:** (Tania Armenta) Thank you for attending Global Meetings Industry Day, Recognized Valerie Lind is leaving the organization and the state as she is moving to Florida, New VP, Ceela McElveny is starting May 6th. She was most recently with AED.

VII. Albuquerque Hispano Chamber of Commerce- Monthly Report – Yuri Morales, AHCC, provided board report.

- HNBA – was successful – see attached note
- Ernie, Synthia Jaramillo and Jose Garcia – pitching USHCC to host in ABQ possibly in 2019.
- Participating in 2019 Conference on Hospitality and Tourism, serving on panel with others. Topic – how to tap into the merchant opportunities for international travel to Mexico.
- In Puebla, NM Trade Alliance have received a booth in the 3rd largest fair in Mexico – 1.4mil visitors. From April 12 - May12. Through Mr. Trask's connections we were able to get the booth (usually 100k) for 5k in partnership with Heritage Hotels (5k each).
- **Board Q&A**
 - **QUESTION:** (Fred Mondragon) Were you able to meet with travel agents?
 - **ANSWER:** (Yuri Morales) At this time we were not able to
 - **QUESTION:** (Fred Mondragon) How is it looking for Gathering of Nations
 - **ANSWER:** (Yuri Morales) Everything is looking great, hard to track numbers. Lots of online sale, good weather, and good success projected.

VIII. Great Albuquerque Innkeepers Association – report by Charlie Gray, Greater Albuquerque Innkeepers Association (GAIA)

- Opportunity fund proved successful, GAIA recommends the continuation of this allocation in 2020 budget.
- **Board Q&A**
 - **QUESTION:** (Cathryn McGill) The recommendations that have been forwarded to mayor's office and ED, what has happened to those recommendations? Did they receive an appropriation from the state to cover their shortfall?
 - **ANSWER:** (Fred Mondragon) They did receive an appropriation. I met with CFO, he was in very strong support of the recommendations by Lodgers Tax committee. In total agreement with not continuing those allocations due to past experience. On the matter of the

coop funds, CFO in full support of taking back some of those funds. On the issue of an RFP for the coop advertisement was not supportive of Visit ABQ representing that procurement. General support from everything I've heard from the administrative. We may have an opportunity as a group to meet with the City Councilor at the Finance Committee Meeting.

- **QUESTION:** (Chris Chavez) With these potential changes, will that be in the next fiscal year or will that be further out?
- **ANSWER:** (Fred Mondragon) We do not know yet
- **ANSWER:** (Fred Mondragon) I'm hoping that the finance people provide an opportunity to speak with them before everything is finalized

IX. City Update – Christopher Chavez, City Staff- None

X. New Business & Announcements

- No announcements.

XI. Motion to Adjourn:

MOTION BY: Kara Grant

SECOND: Phillip Synder

MOTION PASSED: Unanimously

Meeting adjourned 5:12 pm.

Minutes submitted by: Christopher Chavez
Christopher Chavez, City Staff

Date: 5/25/19

Minutes approved by: [Signature]
Board Chair

Date: 5/25/19