



DISCOVER SANTA CLARA™
BOARD OF DIRECTORS
REGULAR MEETING AGENDA

APRIL 21, 2022

3:00 p.m.

Virtual Meeting

Pursuant to the provisions of the California Governor's Executive Order N-29-20, issued on March 17, 2020, to prevent the spread of COVID-19, Discover Santa Clara™ has implemented methods for the public to participate remotely.

*The public can participate remotely via Zoom: <https://us06web.zoom.us/j/86214072644>
Meeting ID: 862 1407 2644 or by phone: 1 (669) 900-6833.*

CALL TO ORDER

ROLL CALL

PUBLIC COMMENT

For public comment on items not on the Agenda that is within the subject matter jurisdiction of the Board.

CONSENT AGENDA

Matters listed in the Consent Agenda section will be considered routine by the Board and will be enacted by one motion. There will be no separate discussion of the items on the Consent Calendar unless discussion is requested by a member of the Board, staff or public. If discussion is requested, that item will be removed from the section entitled Consent Agenda and will be considered under Consent Items Pulled for Discussion.

1. Action on the Minutes of:

- Discover Santa Clara™ Board of Directors – March 17, 2022
- Discover Santa Clara™ Board of Directors – March 31, 2022

Recommendation: Approve Meeting Minutes and note and file.

CONSENT ITEMS PULLED FOR DISCUSSION

PUBLIC PRESENTATIONS

This item is reserved for persons to address the Board on any matter not on the agenda that is within the subject matter jurisdiction of the Board. The law does not permit action on, or extended discussion of, any item not on the agenda except under special circumstances. The Board or staff may briefly respond to statements made or questions posed and may request staff to report back at a subsequent meeting.

GENERAL BUSINESS – ITEMS FOR DISCUSSION

- 2. Action on an Agreement with Jovenville, LLC for Marketing Services for a Term Starting on April 25, 2022 and Ending on April 24, 2023 for a Total Maximum Not-to-Exceed Amount of \$110,000.00 Subject to the Appropriation of Funds.**

Recommendation: Approve and authorize the Chair to execute an Agreement with

Jovenville, LLC for Marketing Services for a term starting on April 25, 2022 and ending on April 24, 2023 for a Total Maximum Not-to-Exceed Amount of \$110,000.00 subject to the appropriation of funds.

3. Action on an Amended and Restated Funding Agreement with the City of Santa Clara for Staffing Services Ending on November 9, 2023 for a Total Not-to-Exceed Amount of \$75,000.00 Subject to the Appropriation of Funds.

Recommendation: Approve and authorize the Chair to negotiate and execute an Amended and Restated Funding Agreement with the City of Santa Clara for staffing services for a total not-to-exceed amount of \$75,000.00 subject to the appropriation of funds.

4. Discussion on the DMO FY 2021/22 Draft Annual Report.

Recommendation: Schedule Special Meeting in one week to finalize and approve FY 2021/22 Annual Report.

5. Review of Monthly Progress Report for March 2022.

Recommendation: Note and file the Monthly Progress Report for March 2022.

6. Discussion on Resuming In-Person Public Meetings.

GENERAL ANNOUNCEMENTS

ADJOURNMENT

The next regular scheduled meeting is on May 19, 2022 at 3:00 p.m.

Please see COVID-19 NOTICE

Brown Act:

Government Code 54950 et seq (the Brown Act) requires that a brief description of each item to be transacted or discussed be posted at least 72 hours prior to a regular meeting. Action may not be taken on items not posted on the agenda. Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Kelly Carr, KCarr@discoversantaclara.org prior to the meeting.

Notice to Public:

The public is welcomed and encouraged to participate in this meeting. Public comment (3 minutes maximum per person) on items listed on the agenda will be heard at the meeting as noted on the agenda. Public comment on items not listed on the agenda will be heard at the meeting as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select one or two speakers to represent the opinion of the group. The order of agenda items is listed for reference and may be taken in any order deemed appropriate by the Board of Directors. The agenda provides a general description and staff recommendation; however, the Board of Directors may take action other than what is recommended.

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), Silicon Valley/Santa Clara DMO, Inc. will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. Silicon Valley/Santa Clara DMO, Inc. will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in Silicon Valley/Santa Clara DMO, Inc. programs, services, and activities. Silicon Valley/Santa Clara DMO, Inc. will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by Silicon Valley/Santa Clara DMO, Inc. in an appropriate alternative format. Contact DSCAdmin@discoversantaclara.org with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of Silicon Valley/Santa Clara DMO, Inc., should contact Kelly Carr, KCarr@discoversantaclara.org as soon as possible before the scheduled event.

ATTACHMENTS



DISCOVER SANTA CLARA™
BOARD OF DIRECTORS
REGULAR MEETING MINUTES

DMO BOARD OF DIRECTORS
APRIL 21, 2022
AGENDA ITEM #1

March 17, 2022

3:00 p.m.

Virtual Meeting

Pursuant to the provisions of the California Governor’s Executive Order N-29-20, issued on March 17, 2020, to prevent the spread of COVID-19, Discover Santa Clara™ has implemented methods for the public to participate remotely.

*The public can participate remotely via Zoom: <https://zoom.us/j/94066612824>
Meeting ID: 940 6661 2824 or by phone: 1 (669) 900-6833.*

CALL TO ORDER

Chair Hodges called the meeting to order at 3:05 p.m.

ROLL CALL

Present: Kelly Carr, Spectra Venue Management
Barb Granter, Great America
Eron Hodges, Hyatt Santa Clara
Leo Wandling, I.A.T.S.E Local Union 134
Ruth Mizobe Shikada, City of Santa Clara (Ex-Officio)

Absent: Pablo Barrera, I.B.T Local Union 853 (joined meeting at 3:09 p.m.)
Catherine Lentz, Forty-Niners Stadium Management Company
Nadine Nader, City of Santa Clara

A quorum of 4 was met.

Attendance: Nancy Thome, City of Santa Clara
Dan Fenton, Jones Lang LaSalle
Juliet Velazquez, Jones Lang LaSalle

PUBLIC COMMENT

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CONSENT AGENDA

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1. Action on the Minutes of:

- Discover Santa Clara™ Board of Directors – February 17,2022

Recommendation: Approve Meeting Minutes and note and file.

A motion was made by Member Wandling, seconded by Treasurer Carr, to approve the Consent Agenda.

Aye:4 Treasurer Carr, Member Granter, Chair Hodges, Member Wandling

Absent:3 Member Barrera, Vice-Chair Lentz, Member Nader

CONSENT ITEMS PULLED FOR DISCUSSION

PUBLIC PRESENTATIONS

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GENERAL BUSINESS – ITEMS FOR DISCUSSION

2. Review of the FY 2021/22 Financial Status Report for the 2nd Quarter Ending December 31, 2021.

Recommendation: Note and file the FY 2021/22 Financial Status Report for the 2nd Quarter ending December 31, 2021.

Treasurer Carr reported that overall, the DMO was in a good position and the rolling forecast is subject to change. Additionally:

- There were three pay-periods in December which accounted for the salary variance.

Member Barrera joined the meeting at 3:09 p.m.

- One employee is currently subscribing to health benefits.
- Relocation expense was an unbudgeted expense in November.
- In November, there were higher legal fees.
- Under professional services, there was a Civitas expense which should have been posted to contingency funds, so some reallocations need to occur.
- Under fiscal services, some professional services expenses were posted there and needs to be adjusted.
- The rolling forecast is a summation of where the DMO sits as of December 31 and is based on the past months six months and projected expenditures.

A motion was made by Member Granter, seconded by Member Wandling, to note and file the FY 2021/22 Financial Status Report for the 2nd Quarter ending December 31, 2021.

Aye:5 Member Barrera, Treasurer Carr, Member Granter, Chair Hodges, Member Wandling

Absent:2 Vice-Chair Lentz, Member Nader

3. Preliminary Review of the Proposed FY 2022/23 Operating Budget; and Discussion and Action on Potential Increase of the Santa Clara Tourism Improvement District Assessment to 2% for FY 2022/23.

Recommendation: Provide direction on the proposed FY 2022/23 Operating Budget and on the Santa Clara Tourism Improvement District Assessment.

Nancy Thome provided an overview of the first draft of the Proposed FY 2022/23 Operating Budget. Chair Hodges indicated he thought the director of sales position was not competitive and would like a comp. survey done. Dan Fenton indicated he would work with Searchwide on the comp. survey.

Chair Hodges supported the change to the administrative services manager position and wanted to see the administrative services manager and the CEO positions fully loaded in the proposed budget for hire to start in July. Additionally, Chair Hodges indicated he would like to move to the 2% TID assessment since the impact to the proposed budget was immaterial.

The Board requested the proposed budget be updated to reflect changes as discussed and a future meeting will be scheduled to review the updated proposed budget.

4. Overview of FY 2022/23 Sales & Marketing Plan.

Recommendation: Provide direction on the proposed FY 2022/23 Sales & Marketing Plan.

Dan Fenton highlighted features of the marketing plan which included the proposed events to attend and a client activation plan. Treasurer Carr requested that the sales team provide a description of each of the proposed events, so the Board knows what they are.

5. Action on Lotus Marketing, Inc. Invoice #1320 in the Amount of \$1,400.

Recommendation: Approve payment of Lotus Marketing, Inc. Invoice #1320 in the amount of \$1,400.

Treasurer Carr reported that the temporary website Lotus provided was not what was verbally promised, although looking at the brief specification in the agreement, Lotus met the simple term as written. Nancy Thome added that the internal team attempted to reach out to Lotus to further discuss this issue but were met by their comments to involve legal.

A motion was made by Treasurer Carr, seconded by Member Wandling, to approve

payment of Lotus Marketing, Inc. Invoice #1320 in the amount of \$1,400.

Aye:5 Member Barrera, Treasurer Carr, Member Granter, Chair Hodges, Member Wandling

Absent:2 Vice-Chair Lentz, Member Nader

6. Action on an Agreement with ArightCo for Accounting Services for a Term Starting on or about March 21, 2022 and Ending on or About June 30, 2023 for a Total Maximum Not-to-Exceed Amount of \$19,375, Subject to the Appropriation of Funds, and to Execute up to Two Two-Year Terms.

Recommendation: Approve and authorize the Chair to negotiate and execute an Agreement with ArightCo for Accounting Services for a term starting on or about March 21, 2022 and ending on or about June 30, 2023 for a total maximum amount not-to-exceed amount of \$19,375, subject to the appropriation of funds, and to execute up to two two-year terms.

Dan Fenton reported that he and Nancy Thome met with this accounting firm a couple of times and felt that they would be a good fit for the DMO. Nancy Thome reminded the Board that they had approved another firm at the last meeting but unfortunately did not work out at the very last minute.

A motion was made by Treasurer Carr, seconded by Member Barrera, to approve and authorize the Chair to negotiate and execute an Agreement with ArightCo for Accounting Services for a term starting on or about March 21, 2022 and ending on or about June 30, 2023 for a total maximum amount not-to-exceed amount of \$19,375, subject to the appropriation of funds, and to execute up to two two-year terms.

Aye:5 Member Barrera, Treasurer Carr, Member Granter, Chair Hodges, Member Wandling

Absent:2 Vice-Chair Lentz, Member Nader

7. Review of Monthly Progress Report for February 2022.

Recommendation: Note and file the Monthly Progress Report for February 2022.

Dan Fenton reported that the sales team continues to work on P1 and P2 prospects. Dan pointed out new information list on slide 5 where they added “research activity” to help show that there is on-going sales activity prior to a lead becoming a prospect.

GENERAL ANNOUNCEMENTS

ADJOURNMENT

The meeting adjourned at 4:27 p.m. A Special Meeting is scheduled for March 31, 2022 at 4:30 p.m. The next regular scheduled meeting is on April 21, 2022 at 3:00 p.m.



DISCOVER SANTA CLARA™
BOARD OF DIRECTORS
SPECIAL MEETING MINUTES

March 31, 2022

4:30 p.m.

Virtual Meeting

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Meeting ID: 818 3623 8480 or by phone: 1 (669) 900-6833.*

CALL TO ORDER

Chair Hodges call the meeting to order at 4:33 p.m.

ROLL CALL

Present: Pablo Barrera, I.B.T Local Union 853
Kelly Carr, Spectra Venue Management
Christopher Hamilton, Levy Restaurants
Eron Hodges, Hyatt Santa Clara (Chair)
Catherine Lentz, Forty-Niners Stadium Management Company
Leo Wandling, I.A.T.S.E Local Union 134
Ruth Mizobe Shikada, City of Santa Clara (Ex-Officio)

Absent: Barb Granter, Great America
Nadine Nader, City of Santa Clara

A quorum of 6 was met.

Nancy Thome indicated that per the Bylaws, budget related items had to be approved by 75% of the Board and confirmed there was a quorum of 6 of 8 Board Members which was 75% if the Board decided to take action at this meeting.

Attendance: Nancy Thome, City of Santa Clara
Dan Fenton, Jones Lang LaSalle

PUBLIC COMMENT

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CONSENT AGENDA

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CONSENT ITEMS PULLED FOR DISCUSSION

PUBLIC PRESENTATIONS

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GENERAL BUSINESS – ITEMS FOR DISCUSSION

1. Discussion and Action on the Proposed FY 2022/23 Operating Budget; and Discussion and Action on Potential Increase of the Santa Clara Tourism Improvement District Assessment to 2% for FY 2022/23.

Recommendation: Provide direction on the proposed FY 2022/23 Operating Budget and on the Santa Clara Tourism Improvement District Assessment for FY 2022/23.

Nancy Thome provided an overview of the updates made to the Proposed FY 2022/23 Operating Budget from the last meeting:

- The estimated FY 2021/22 fund balance is approx. \$1.7 million.
- Per the DMO agreement with the City, the DMO must allocate six months of the most recently approved budget which is \$678,001. This was not done for the current fiscal year.
- The projected revenue for FY 2022/23 is \$1.24 million. With the allocation to reserves and the FY 2021/22 fund balance, there would be \$2.27 million available in the fund.
- The updated proposed budget increased to \$1.7 million from \$1.43 million and included fully loaded CEO and administrative services manager positions, increase in salary ranges for the DOS (starting October 2022) and sales manager positions, and a reduction of the number of event attendance from 11 to three.

A motion was made by Member Wandling, seconded by Treasurer Carr, to approve the Proposed FY 2022/23 Operating Budget and increasing the Santa Clara Tourism Improvement District Assessment to 2%.

Aye:6 Member Barrera, Treasurer Carr, Chair Hodges, Vice-Chair Lentz, Member Wandling

Absent:0 Member Granter, Member Nader

GENERAL ANNOUNCEMENTS

ADJOURNMENT

The meeting adjourned at 5:19 p.m. The next regular scheduled meeting is on April 21, 2022 at 3:00 p.m.



PROPOSED FY 2022/23 OPERATING BUDGET

**BOARD OF DIRECTORS SPECIAL MEETING
MARCH 31, 2022**

FUND SUMMARY

FY 2021/22 Fund Balance	FY 2022/23 Projected Revenue	FY 2022/23 Reserves	FY 2022/23 Available Funds
\$1,704,831	\$1,240,623	\$678,001	\$2,267,453

A	B	C	D	E	F		As of	Transfer of
	2021/22	2021/22	2021/22 YTD	2021/22	2022/23		07/01/2021	Funds
	Adopted	Amended	thru	Estimate	Proposed			
			01/31/2022					
Beginning Fund Balance								
DMO Funds	1,474,829	1,474,829	1,474,829	1,474,829	1,026,830	DMO FUNDS		
DMO Reserves	-	-	-	-	678,001	City - TID Account	1,396,061	1,146,061
Total Beginning Fund Balance	1,474,829	1,474,829	1,474,829	1,474,829	1,704,831	Wells Fargo Account	78,768	328,768
						Total Beginning Fund Balance	1,474,829	1,474,829
Total Revenue								
TID Assessment	610,936	610,936	444,287	800,000	1,174,623			
Levy Marketing Investment	-	30,000	30,000	30,000	30,000			
OVG360 Marketing Investment	-	36,000	36,000	36,000	36,000			
Other Revenue	-	-	1,945	1,945				
Total Revenue	610,936	676,936	512,232	867,945	1,240,623			
Total Source of Funds	2,085,765	2,151,765	1,987,061	2,342,774	2,945,454			
Expenditures								
Personnel	725,627	725,627	128,343	211,906	934,044			
NonPersonnel	537,156	603,156	206,230	395,037	698,871			
Contingency	15,000	15,000	2,651	15,000	35,239			
City Administration Fee	12,219	12,219	8,886	16,000	23,429			
Total Expenditures	1,290,002	1,356,002	346,110	637,943	1,691,583			
Ending Fund Balance								
DMO Funds	795,763	795,763	1,640,951	1,704,831	575,870			
DMO Reserves	-	-	-	-	678,001			
Total Ending Fund Balance	795,763	795,763	1,640,951	1,704,831	1,253,871			
Total Use of Funds	2,085,765	2,151,765	1,987,061	2,342,774	2,945,454			

FY 2022/23 Reserves

FY 2022/23 projected revenue
 • 2% SCTID assessment

FY 2021/22 fund balance

FY 2022/23 Available Funds
 $\$1,704,831 + \$1,240,623 + \$(678,001) =$
\$2,267,453

FY 2022/23 PROPOSED OPERATING BUDGET

Summary

Position	FY 2021/22 Adopted	FY 2022/23 Proposed	Change
Chief Executive Officer	1	1	0
Director of Sales	1	1	0
Sales Manager	2	2	0
Marketing Manager	0	0	0
Administrative Assistant	1	0	-1
Administrative Manager	0	1	1
TOTAL FTE	5	5	0

Budget Item	FY 2021/22 Adopted	FY 2022/23 Proposed	Variance +/(-)	
Personnel	\$ 725,627	\$ 934,044	\$ 208,417	28.72%
NonPersonnel	\$ 603,156	\$ 698,871	\$ 95,715	15.87%
Contingency	\$ 15,000	\$ 35,239	\$ 20,239	134.93%
City Administration Fee	\$ 12,219	\$ 23,429	\$ 11,210	91.74%
TOTAL OPERATING BUDGET	\$1,356,002	\$ 1,691,583	\$ 335,581	24.75%

Convention Sales, Incentives & Services

- ➔ Promotion of sales activity for the booking of high-profile Convention Center events;
- ➔ Generation of Convention Center revenue and increased room night sales from Convention Center attendees;
- ➔ Supports sales activities to attract new meetings, conventions, sporting, and other events that have a significant impact on the Center's fiscal performance and assessed lodging business room demand in the SCTID.
- ➔ Includes client incentives/subsidies to attract new marquee events and conventions that have not previously hosted an event at the Convention Center.



Convention Sales, Incentives & Services

- DOS –October 2022
- Salary changes/increases
- 401k benefits
- Relocation
- Addition of Knowland
- Presence at 3 shows
 - Connect Marketplace
 - Connect Medical/Tech
 - IMEX North America
- Developed Support Services plan (open house, client activations, and greetings)

Budget Item	FY 2021/22 Adopted	FY 2022/23 Proposed	FY 2022/23 Variance
CONVENTION SALES, INCENTIVES & SERVICES			
Personnel	\$ 397,255	\$ 457,669	\$ 60,414
Salary	\$ 277,500	\$ 300,000	\$ 22,500
1.0 FTE Director of Sales	\$ 97,500	\$ 112,500	\$ 15,000
1.0 FTE Sales Manager	\$ 90,000	\$ 97,500	\$ 7,500
1.0 FTE Sales Manager	\$ 90,000	\$ 90,000	\$ -
Incentives	\$ 69,375	\$ 75,000	\$ 5,625
Benefits	\$ 27,060	\$ 33,934	\$ 6,874
Payroll Taxes	\$ 22,000	\$ 44,415	\$ 22,415
Other-Cell Phone Stipend	\$ 1,320	\$ 1,320	\$ -
Other-Relocation	\$ -	\$ 3,000	\$ 3,000
Convention Sales, Incentives & Services Expenses	\$ 155,698	\$ 149,605	\$ (6,593)
Business Development	\$ 50,000	\$ 50,000	\$ -
Conferences and Tradeshow	\$ 8,900	\$ 20,700	\$ 11,800
Memberships	\$ 2,825	\$ 3,015	\$ 190
Mileage Reimbursement	\$ -	\$ 500	\$ 500
Subscription Services	\$ 31,473	\$ 32,390	\$ 917
Support Services	\$ 42,500	\$ 36,000	\$ (6,500)
Travel & Entertainment	\$ 20,000	\$ 7,000	\$ (13,000)

Marketing & Communications

- ➔ Promotion of Santa Clara, the Convention Center and the assessed lodging businesses as a convention, meeting, and event destination;
- ➔ Centralized theme of promoting the destination as a desirable place for overnight meeting and convention attendees;
- ➔ Goal of increasing overnight visitation, Convention Center revenue, and room night sales at assessed lodging businesses.



Marketing & Communications

- Branding and website development work is complete
- Enhanced budget for marketing collateral
- Addition of e-tools license

Budget Item	FY 2021/22 Adopted	FY 2022/23 Proposed	FY 2022/23 Variance
MARKETING & COMMUNICATIONS			
Personnel	\$ -	\$ -	\$ -
Salary	\$ -	\$ -	\$ -
Benefits	\$ -	\$ -	\$ -
Marketing Expenses	\$ 241,000	\$ 203,048	\$ (37,952)
Advertising & Promotions	\$ 25,000	\$ 75,000	\$ 50,000
Contract Services	\$ 216,000	\$ 124,460	\$ (91,540)
Marketing Consultant	\$ 166,000	\$ 110,000	\$ (56,000)
Branding	\$ 28,000	\$ -	\$ (28,000)
Website	\$ 22,000	\$ 14,460	\$ (7,540)
Software Licenses	\$ -	\$ 3,588	\$ 3,588
TOTAL MARKETING & COMMUNICATION	\$ 241,000	\$ 203,048	\$ (37,952)

Administration

- ➔ Management, coordination and support to all organizational services and functions;
- ➔ Responsible for the general oversight and fiscal health of the organization;
- ➔ Funds support CEO and administrative staffing costs, office costs, policy development, and other general administrative costs such as insurance, legal, accounting and IT.

Administration

- CEO – July 2022
- ASM – July 2022
- Increased contracts: fiscal, professional services, temp. staffing services
- Completed computer purchases
- Increased insurance costs

Budget Item	FY 2021/22 Adopted	FY 2022/23 Proposed	FY 2022/23 Variance
ADMINISTRATION			
Personnel	\$ 328,372	\$ 476,375	\$ 148,003
Salary	\$ 285,000	\$ 335,000	\$ 50,000
1.0 FTE CEO	\$ 215,000	\$ 210,000	\$ (5,000)
1.0 FTE Administrative Services Manager	\$ 70,000	\$ 125,000	\$ 55,000
Incentives	\$ -	\$ 52,500	\$ 52,500
Benefits	\$ 20,806	\$ 36,796	\$ 15,990
Payroll Taxes	\$ 21,606	\$ 46,119	\$ 24,513
Other-Cell Phone Stipend	\$ 960	\$ 960	\$ -
Other-Relocation	\$ -	\$ 5,000	\$ 5,000
Administrative Expenses	\$ 206,458	\$ 346,218	\$ 139,760
Contract Services	\$ 155,876	\$ 299,964	\$ 144,088
Insurance	\$ 8,610	\$ 11,737	\$ 3,127
Memberships	\$ 1,047	\$ 1,600	\$ 553
Mileage Reimbursement	\$ -	\$ 500	\$ 500
Operating Supplies	\$ 24,400	\$ 14,777	\$ (9,623)
Recruitment	\$ -	\$ 500	\$ 500
Subscription Services	\$ 16,525	\$ 17,140	\$ 615
TOTAL ADMINISTRATION	\$ 534,830	\$ 822,593	\$ 287,763

Contingency

- ➔ Equals 3% of gross assessments (\$1,174,623)
- ➔ Accounts for uncollected assessments, if any;
- ➔ May be held in a reserve funds or utilized for other unanticipated short-term program, or administrative or renewal costs;

Budget Item	FY 2021/22 Adopted	FY 2022/23 Proposed	FY 2022/23 Variance
CONTINGENCY	\$ 15,000	\$ 35,239	\$ 20,239

City Administration Fee

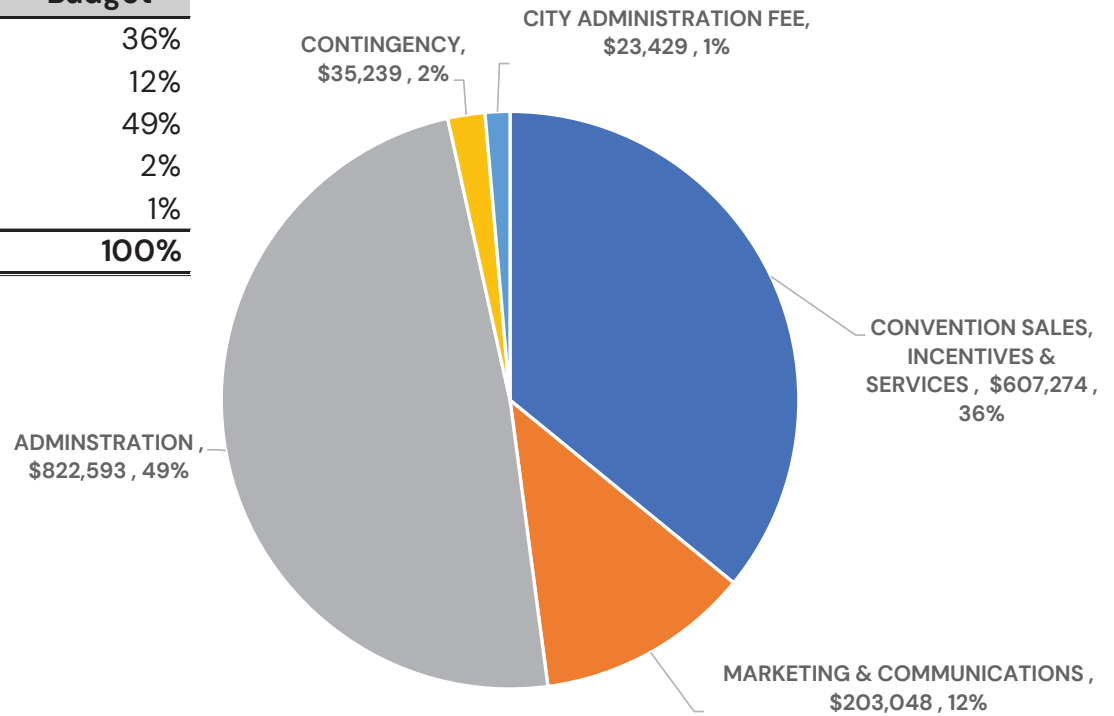
- ➔ Equals 2% of gross assessments (\$1,174,623)
- ➔ Covers costs of collection and administration which may include but are not limited to staffing costs, legal services, and operational costs for rent, telephone, supplies, postage, and other general office expenses.

Budget Item	FY 2021/22 Adopted	FY 2022/23 Proposed	FY 2022/23 Variance
CITY ADMINISTRATION FEE	\$ 12,219	\$ 23,429	\$ 11,210



Summary

PROGRAM	FY 2022/23 Proposed	% of Budget
CONVENTION SALES, INCENTIVES & SERVICES	\$ 607,274	36%
MARKETING & COMMUNICATIONS	\$ 203,048	12%
ADMINSTRATION	\$ 822,593	49%
CONTINGENCY	\$ 35,239	2%
CITY ADMINISTRATION FEE	\$ 23,429	1%
TOTAL OPERATING BUDGET	\$ 1,691,583	100%



QUESTIONS?

**AGREEMENT FOR SERVICES
BETWEEN THE
SILICON VALLEY/SANTA CLARA DMO, INC. DBA DISCOVER SANTA CLARA™
AND
JOVENVILLE, LLC DBA WE THE CREATIVE**

PREAMBLE

This Agreement is entered into between **Silicon Valley/Santa Clara DMO, Inc.** dba Discover Santa Clara™, a non-profit mutual benefit corporation, (DMO), and **Jovenville, LLC dba We The Creative**, a California limited liability corporation (Contractor). DMO and Contractor may be referred to individually as a “Party” or collectively as the “Parties” or the “Parties to this Agreement.”

RECITALS

- A. DMO desires to secure the services more fully described in this Agreement, at Exhibit A, entitled “Scope of Services”;
- B. Contractor represents that it, and its subcontractors, if any, have the professional qualifications, expertise, necessary licenses, and desire to provide certain goods and/or required services of the quality and type which meet objectives and requirements of DMO; and,
- C. The Parties have specified herein the terms and conditions under which such services will be provided and paid for.

The Parties agree as follows:

AGREEMENT TERMS AND CONDITIONS

1. AGREEMENT DOCUMENTS

The documents forming the entire Agreement between DMO and Contractor shall consist of these Terms and Conditions and the following Exhibits, which are hereby incorporated into this Agreement by this reference:

Exhibit A – Scope of Services

Exhibit B – Schedule of Fees

Exhibit C – Insurance Requirements

This Agreement, including the Exhibits set forth above, contains all the agreements, representations, and understandings of the Parties, and supersedes and replaces any previous agreements, representations, and understandings, whether oral or written. In the event of any inconsistency between the provisions

of any of the Exhibits and the Terms and Conditions, the Terms and Conditions shall govern and control.

2. TERM OF AGREEMENT

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on April 25, 2022 and terminate on April 24, 2023.

3. SCOPE OF SERVICES & PERFORMANCE SCHEDULE

Contractor shall perform those Services specified in Exhibit A within the time periods stated in Exhibit A. Time is of the essence.

4. WARRANTY

Contractor expressly warrants that all materials and services covered by this Agreement shall be fit for the purpose intended, shall be free from defect and shall conform to the specifications, requirements, and instructions upon which this Agreement is based. Contractor agrees to promptly replace or correct any incomplete, inaccurate, or defective Services at no further cost to DMO when defects are due to the negligence, errors, or omissions of Contractor. If Contractor fails to promptly correct or replace materials or services, DMO may make corrections or replace materials or services and charge Contractor for the cost incurred by DMO.

5. QUALIFICATIONS OF CONTRACTOR - STANDARD OF CARE

Contractor represents and maintains that it has the expertise in the professional calling necessary to perform the Services, and its duties and obligations, expressed and implied, contained herein, and DMO expressly relies upon Contractor's representations regarding its skills and knowledge. Contractor shall perform such Services and duties in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California.

6. COMPENSATION AND PAYMENT

In consideration for Contractor's complete performance of Services, DMO shall pay Contractor for all materials provided and Services rendered by Contractor in accordance with Exhibit B, entitled "SCHEDULE OF FEES." The maximum compensation of this Agreement is **One Hundred-Ten Thousand Dollars and No Cents (\$110,000.00)**, subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials, and equipment required to perform the Services. All work performed or materials provided in excess of the maximum compensation shall be at Contractor's expense unless the Parties otherwise mutually agree in writing in advance of any such work performed or materials provided.

7. TERMINATION

- A. Termination for Convenience. DMO shall have the right to terminate this Agreement, without cause or penalty, by giving not less than Thirty (30) days' prior written notice to Contractor. DMO shall make the final determination on the percentage of the Scope of Services that has been completed by Contractor up to the date of such termination, and the DMO shall only compensate the Contractor that amount.
- B. Termination for Default. If either Party fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, the other Party may terminate this Agreement upon fifteen (15) day's prior written notice to the breaching Party describing such failure if such breaching Party's does not cure such failure within the 15-day notice period. DMO shall make the final determination on the percentage of the Scope of Services that has been completed by Contractor up to the date of such termination and the DMO shall only compensate the Contractor that amount.
- C. Upon termination, each Party shall assist the other in arranging an orderly transfer and close-out of the Services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Contractor will deliver to DMO all DMO information or material that Contractor has in its possession.

8. ASSIGNMENT AND SUBCONTRACTING

DMO and Contractor bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written approval of the DMO. Contractor shall not hire subcontractors to perform Services under this Agreement without express written permission from DMO.

Contractor shall be as fully responsible to the DMO for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by Contractor, as Contractor is for the acts and omissions of persons directly employed by it.

9. NO THIRD-PARTY BENEFICIARY

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

10. INDEPENDENT CONTRACTOR

Contractor and all person(s) employed by or contracted with Contractor to furnish labor and/or materials under this Agreement are independent contractors and do

not act as agent(s) or employee(s) of DMO and shall not have the authority or right of any kind to bind DMO in any manner. Contractor has full rights to manage its employees in their performance of Services under this Agreement.

11. CONFIDENTIALITY OF MATERIAL

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for Contractor and all other written information submitted to Contractor in connection with the performance of this Agreement shall be held strictly confidential by Contractor and shall not, without the prior written consent of DMO, be used for any purposes other than the performance of the Services nor be disclosed to any person or entity not connected with performance of the Services. Nothing furnished to Contractor which is otherwise previously known to Contractor or becomes generally known to the related industry shall be deemed confidential.

12. OWNERSHIP OF MATERIAL

All material, which shall include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports, designs, technology, programming, works of authorship and other material developed, collected, prepared or caused to be prepared under this Agreement shall be the property of DMO but Contractor may retain and use copies thereof solely for the purposes of providing services covered by this Agreement. DMO shall not be limited in any way or at any time in its use of said material. At DMO's request, Contractor will execute and deliver to DMO any assignments or other ownership transfer or perfection documents necessary or appropriate to evidence DMO's ownership rights to such property. If Contractor fails to execute and deliver any such documents, Contractor hereby designates and appoints DMO and its duly authorized representatives as Contractor's agents and attorneys-in-fact to act for and on Contractor's behalf and instead of Contractor, to execute and file any such documents, and to do all other lawfully permitted acts to further registration or enforcement of any such ownership rights with respect thereto with the same legal force and effect as if executed by Contractor. Contractor acknowledges and agrees that the foregoing power of attorney is a special power of attorney coupled with an interest and is irrevocable.

13. RIGHT OF DMO TO INSPECT RECORDS OF CONTRACTOR

DMO, through its authorized employees, representatives or agents shall have the right during the term of this Agreement and for four (4) years from the date of final payment for goods or services provided under this Agreement, to audit the books and records of Contractor for the purpose of verifying any and all charges made by Contractor in connection with Contractor compensation under this Agreement, including termination of Contractor. Contractor agrees to maintain

sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges submitted to DMO. Any expenses not so recorded may be disallowed by DMO. Contractor shall bear the cost of the audit if the audit determines that there has been a substantial billing deviation in excess of five (5) percent adverse to the DMO.

Contractor shall submit to DMO any and all reports concerning its performance under this Agreement that may be requested by DMO in writing. Contractor agrees to assist DMO in meeting DMO's reporting requirements to the State and other governmental agencies with respect to Contractor's Services hereunder.

14. HOLD HARMLESS/INDEMNIFICATION

- A. To the extent permitted by law, Contractor agrees to protect, defend, hold harmless and indemnify DMO, its DMO directors, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action, and whether sounding in law, contract, tort, or equity, in any manner arising from, or alleged to arise in whole or in part from, or in any way connected with the Services performed by Contractor pursuant to this Agreement – including claims of any kind by Contractor's employees or persons contracting with Contractor to perform any portion of the Scope of Services – and shall expressly include negligence by DMO's directors, officers, employees, volunteers and agents in connection with the Services. However, the obligation to indemnify shall not apply if such liability is ultimately adjudicated to have arisen through the sole active gross negligence or sole willful misconduct of DMO; provided, however, the obligation of Contractor to defend is not similarly limited.
- B. Contractor's obligation to protect, defend, indemnify, and hold harmless in full DMO and DMO's employees, shall specifically extend to any and all employment-related claims of any type brought by employees, contractors, subcontractors, or other agents of Contractor, against DMO (either alone, or jointly with Contractor), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.
- C. To the extent Contractor is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Contractor warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless DMO for any penalties, fines, adverse rulings, or tax payments associated with Contractor's responsibilities under the Act.

15. INSURANCE REQUIREMENTS

During the term of this Agreement, and for any time period set forth in Exhibit C, Contractor shall provide and maintain in full force and effect, at no cost to DMO, insurance policies as set forth in Exhibit C.

16. WAIVER

Contractor agrees that waiver by DMO of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement. Neither DMO's review, acceptance nor payments for any of the Services required under this Agreement shall be constructed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

17. NOTICES

All notices to the Parties shall, unless otherwise requested in writing, be sent to DMO addressed as follows:

Silicon Valley/Santa Clara DMO, Inc.
Attention: Board of Directors Chair
5001 Great America Parkway
Santa Clara, CA 95054
and by e-mail at ehodges@discoversantaclara.org

And to Contractor addressed as follows:

Jovenville, LLC
3349 Michelson Drive, Suite 200
Irvine, CA 92612
and by joven@jovenville.com

The workday on which the e-mail was sent shall control the date notice was deemed given. An e-mail transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following business day.

18. COMPLIANCE WITH LAWS

Contractor shall comply with all applicable laws and regulations of the federal, state, and local government, including but not limited to "The Code of the City of Santa Clara, California" ("SCCC"). In particular, Contractor's attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20), and Business Tax Certificate (SCCC section 3.40.060), as such Chapters or Sections may be amended from time to time or renumbered.

19. CONFLICTS OF INTEREST

Contractor certifies that to the best of its knowledge, no DMO director, officer, employee, or authorized representative has any financial interest in the business of Contractor and that no person associated with Contractor has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Contractor is familiar with the provisions of California Government Code section 87100 and following and certifies that it does not know of any facts which would violate these code provisions. Contractor will advise DMO if a conflict arises.

20. FAIR EMPLOYMENT

Contractor shall not discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state, or local law.

21. NO USE OF DMO NAME OR EMBLEM

Contractor shall not use DMO's name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, newspaper or other medium without the prior express written consent of DMO.

22. GOVERNING LAW AND VENUE

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

23. SEVERABILITY CLAUSE; INTERPRETATION; SURVIVAL

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal, or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect. This Agreement shall be construed without regard to the Party responsible for the preparation of the same and shall be deemed to have been prepared jointly by the Parties; any ambiguity or uncertainty existing herein shall not be interpreted against either Party, but according to the application of other rules of contract interpretation if an ambiguity or uncertainty exists. All representations, warranties, covenants, indemnities, and other terms of this Agreement shall survive any termination or expiration of this Agreement and shall remain in full force and effect to the full extent necessary to protect the Party in whose favor they run.

24. AMENDMENTS

This Agreement may only be modified by a written amendment duly authorized and executed by the Parties to this Agreement.

25. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument. Electronic copies of signed signature pages transmitted electronically by any Party to the other Party either by facsimile or via the Internet (e.g., in a "pdf" or "tif" format data file or comparable format) will be deemed binding originals for all purposes and will be deemed delivered for all purposes when any such copies are received by the other Party.

The Parties acknowledge and accept the terms and conditions of this Agreement, including those contained in the attached Exhibits, as evidenced by the following signatures of their duly authorized representatives.

SILICON VALLEY/SANTA CLARA DMO, INC.
a California non-profit mutual benefit corporation

Dated: _____

ERON HODGES
Chair
5001 Great America Parkway
Santa Clara, CA 95050
Telephone: (408) 748-7095

"DMO"

JOVENVILLE, INC
a California limited liability corporation

Dated: April 11, 2022

By (Signature): 

Name: Joven Orozco

Title: President

Principal Place of Business Address: 3349 Michelson Drive, Suite 200
Irvine, CA 92612

Email Address: joven@jovenville.com

Telephone: (877) 887-1318

"CONTRACTOR"

EXHIBIT A SCOPE OF SERVICES

The Services to be performed for the DMO and partners (City of Santa Clara, OVG360 and Levy Restaurants) by the Contractor under this Agreement are set forth below.

1. GENERAL INFORMATION

- 1.1. Contractor shall work with the DMO and partners (City of Santa Clara, OVG360 and Levy Restaurants) to develop cohesive marketing materials and implement marketing strategies that supports the DMOs business goals and on-going destination sales and marketing efforts.
- 1.2. Contractor shall assign a Project Manager (“PM”) for the services required under this Agreement. The PM shall be the primary person communicating with the DMO and partners and keeping the DMO fully apprised on the status and progress of each project. The PM shall also be responsible for the project schedule update, delivery of work items, and the general project coordination. The DMO reserves the right to request replacement of the PM at any time for any reason.
- 1.3. Contractor agrees to work closely with DMO and partners in the performance of services and shall be available to the DMO at all reasonable times.

2. DEVELOPMENT OF MARKETING MATERIALS

- 2.1. Contractor shall be responsible for the discovery, design, development, and delivery of Marketing Materials.
 - 2.1.1. Marketing Materials
 - 2.1.2. Clean up and evolve the existing sales pitch deck.
 - 2.1.3. Marketing concept – the campaign theme and look and feel of the campaign and marketing calendar including specific milestones.
 - 2.1.4. Sales deck PPT template (including sections: overview, venue, catering, and specifications).
 - 2.1.5. One-sheet that can be customized for any potential customer as well as a container (pitch box) that can be customized.
 - 2.1.6. A variety of social media samples and email blasts.
 - 2.1.7. Design advertising for brand campaign (PPC).

2.1.8. Trade show / destination collateral (backdrop, banners, table-covers, simple brochure, information card, tchotchke ideas).

2.2. The turnaround time and schedule will be determined in Phase One of the Work Plan.

3. MARKETING RETAINER ACTIVITIES

3.1. Contractor shall work with DMO and partners on executing a monthly eblast drip campaign, a minimum of eight social media posts per month, and digital advertising campaigns. Retainer activity includes:

3.1.1. Review current brand/logo style guide and provide recommendations for improvement.

3.1.2. Content development for agreed upon marketing activities

3.1.3. Content development and implementation of content calendar

3.1.4. Eblast content development and sending eblasts to community and clients to general leads which highlight DMO activities including but not limited to public space activation, new technologies, unique event, and destination offerings.

3.1.5. Content development for social media posts (LinkedIn, Facebook, Instagram)

3.1.6. Management of digital advertising buys and monthly reporting to DMO on activation rates, view rates, etc.

3.1.7. Marketing activities shall be on a firm fixed retainer price as set forth in Exhibit B.

4. WORK PLAN

PHASE ONE: DISCOVERY

Contractor will gain a thorough understanding of client needs.

- Establish timeline for deliverables.
- Job forecasting and project management and uploads to the online project website portal "Teamwork".
- Review existing strategy, audience personas, and market.
- Interview sales teams and/or leadership.
- Audit existing marketing collateral and competitors.
- Provide recommendations.

- Round 00 – Board storming (12) ideation on the look and feel.

PHASE TWO: DESIGN

Working with the DMO, Contractor shall establish a design direction that best represents the brand.

- Round 01 – Loose composites (3) (sales deck cover, internal pages, tradeshow items)
- Round 02 – Rough composite (1) (all approved tactics)
- Round 03 – Tight composite (1) (all approved tactics)
- Presentation via the project website
- Up to one collective revision per round of chosen design direction

PHASE THREE: DEVELOPMENT

Process in which the concept and design are made into reality

- Presentation of proposed final marketing materials/art and obtain DMO signed approval for items listed in Phase Two.
- Presentation to the DMO via the project website portal “Teamwork”.

PHASE FOUR: DELIVERY

During this Phase, Contract shall complete the following:

- Preparation of files for final intended use.
- Detailed printing specifications that allow print vendors to understand the scope and provide a responsive quote.
- Files and all related items will be delivered to DMO via the project website portal “Teamwork”.

5. ON-CALL GRAPHIC DESIGN SERVICES

5.1. At DMO’s request, Contractor shall create a suite of marketing materials for other events and programs not already included in the content calendar or that may fall outside the current Scope of Services. The materials could include: DMO’s Annual Report and Sales & Marketing Plan, flyers, posters, menus, social media above the minimums as outlined in Section 3.1, and web graphics. Contractor shall provide DMO a quote for on-call graphic design services at the rates outlined in Exhibit B, prior to initiation of any additional work. Worked shall be performed upon agreement by both Parties.

6. DMO RESPONSIBILITIES

6.1. DMO acknowledges that the success and timelines of each project shall require the active participation and collaboration of the DMO and its partners and agrees to act reasonably and cooperated fully with Contractor to achieve the completion of the project.

6.2. DMO shall supply all necessary available information to Contractor in a timely manner in digital format including without limitation copy, text, audio files, video files, PDF files, photographs, artwork, and pre-existing graphics. Unless written notice to the contrary is provided by DMO to Contractor, DMO expressly authorizes Contractor to display and/or modify any DMO supplied images, data, information, and other items in connection with the services provided herein provided that Contractor will not modify and trademark, copyright or other legal notices affixed or otherwise contained in or on such items.

**EXHIBIT B
SCHEDULE OF FEES**

1. MAXIMUM COMPENSATION

The maximum compensation the DMO will pay the Contractor for all professional fees, costs, and expenses provide under this Agreement shall not exceed **One Hundred-Ten Thousand Dollars and No Cents (\$110,000.00)** during the Term of the Agreement.

2. RATE SCHEDULE

Contractor shall provide the services set forth in Exhibit A – Scope of Services in accordance with the following rate schedule.

Cost Element	Rate
<p>Monthly Retainer Monthly retainer of \$5,500 per month x 12 months.</p> <ul style="list-style-type: none"> • Activities include content development for eblasts to leads (regarding public space activation, venue, catering, other specifications) • Social media content development and posts (i.e., LinkedIn, Instagram, and Facebook) • Digital advertising buy management 	\$66,000
<p>Marketing Materials The rate range is based on hourly time estimates to produce all marketing materials as specified in Exhibit A.</p>	\$20,000 – \$31,000
<p>Monthly Pay-Per Click Media Buy This service shall begin upon a date as mutually agreed upon between the DMO and Contractor.</p>	Up to \$1,500 per month
On-call Graphic Design Services	
Project Manager	\$70 per hour
Creative Director	\$110 per hour
Traffic Manager	\$60 per hour
Art Director	\$85 per hour
Graphic Designer	\$65 per hour
Copywriter	\$95 per hour
Proofreader	\$55 per hour
Programmer	\$95 per hour

3. INVOICING

Contractor shall bill DMO on a monthly basis for Services provided by Contractor during the preceding month on an invoice and in a format approved by DMO and subject to verification and approval by DMO. DMO will pay Contractor within thirty (30) days of DMO’s receipt of an approved invoice.

EXHIBIT C
INSURANCE REQUIREMENTS

Without limiting the Contractor's indemnification of Silicon Valley/Santa Clara DMO, Inc., and prior to commencing any of the Services required under this Agreement, the Contractor shall provide and maintain in full force and effect during the period of performance of the Agreement and for twenty-four (24) months following acceptance by Silicon Valley/Santa Clara DMO, Inc., at its sole cost and expense, the following insurance policies from insurance companies authorized to do business in the State of California. These policies shall be primary insurance as to Silicon Valley/Santa Clara DMO, Inc. so that any other coverage held by Silicon Valley/Santa Clara DMO, Inc. shall not contribute to any loss under Contractor's insurance. The minimum coverages, provisions and endorsements are as follows:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:
 - \$1,000,000 Each Occurrence
 - \$2,000,000 General Aggregate
 - \$2,000,000 Products/Completed Operations Aggregate
 - \$1,000,000 Personal Injury
2. Exact structure and layering of the coverage shall be left to the discretion of Contractor; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.
3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Contractor to comply with the insurance requirements of this Agreement:
 - a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;
 - b. There shall be no cross-liability exclusion which precludes coverage for claims or suits by one insured against another; and
 - c. Coverage shall apply separately to each insured against whom a claim is made, or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than

one million dollars (\$1,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned (if any), non-owned and hired autos.

C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars (\$1,000,000) policy limit Bodily Injury by disease, one million dollars (\$1,000,000) each accident/Bodily Injury and one million dollars (\$1,000,000) each employee Bodily Injury by disease.
2. The indemnification and hold harmless obligations of Contractor included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation, or benefit payable by or for Contractor or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s), or other employee benefits act(s).
3. This policy must include a Waiver of Subrogation in favor of Silicon Valley/Santa Clara DMO, Inc., its directors, commissions, officers, employees, volunteers, and agents.

D. PROFESSIONAL LIABILITY

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against negligent acts, errors, or omissions of the Contractor. Covered services as designated in the policy must specifically include work performed under this agreement. Coverage shall be in an amount of not less than one million dollars (\$1,000,000) per claim or two million dollars (\$2,000,000) aggregate. Any coverage containing a deductible or self-retention must first be approved in writing by the DMO Attorney.

E. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. Silicon Valley/Santa Clara DMO, Inc., its directors, officers, employees, volunteers, and agents are hereby added as additional insureds in respect to liability arising out of Contractor's work for DMO, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85, or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.
2. Primary and non-contributing. Each insurance policy provided by Contractor shall contain language or be endorsed to contain wording

making it primary insurance as respects to, and not requiring contribution from, any other insurance which the indemnitaries may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnitaries may possess shall be considered excess insurance only and shall not be called upon to contribute with Contractor's insurance.

3. Cancellation.

a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to DMO at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.

b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to DMO at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.

4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through E of this Exhibit C, above.

F. ADDITIONAL INSURANCE RELATED PROVISIONS

Contractor and DMO agree as follows:

1. Contractor agrees to ensure that subcontractors, and any other party involved with the Services, who is brought onto or involved in the performance of the Services by Contractor, provide the same minimum insurance coverage required of Contractor, except as with respect to limits. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Contractor agrees that upon request by DMO, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to DMO for review.

2. Contractor agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge

DMO or Contractor for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to DMO. It is not the intent of DMO to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against DMO for payment of premiums or other amounts with respect thereto.

3. The DMO reserves the right to withhold payments from the Contractor in the event of material noncompliance with the insurance requirements set forth in this Agreement.

G. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Contractor, and each and every subcontractor (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to DMO and as described in this Agreement. Contractor shall file with the DMO all certificates and endorsements for the required insurance policies for DMO's approval as to adequacy of the insurance protection.

H. EVIDENCE OF COMPLIANCE

Contractor or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to DMO, or its representative as set forth below, at or prior to execution of this Agreement. Upon DMO's request, Contractor shall submit to DMO copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to DMO pursuant to this Agreement shall be mailed to:

Silicon Valley/Santa Clara DMO, Inc.
5001 Great America Parkway
Santa Clara, CA 95054

I. QUALIFYING INSURERS

All of the insurance companies providing insurance for Contractor shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the DMO or its insurance compliance representatives.

**AMENDED AND RESTATED FUNDING AGREEMENT
BETWEEN
SILICON VALLEY/SANTA CLARA DMO, INC.
AND
THE CITY OF SANTA CLARA**

PREAMBLE

This Agreement is entered into between **Silicon Valley/Santa Clara DMO, Inc.**, a California non-profit mutual benefit corporation (the "DMO") and the **City of Santa Clara**, a chartered California municipal corporation (the "City") and. DMO and City may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

- A. The Parties previously entered into an Agreement entitled "Funding Agreement Between Silicon Valley/Santa Clara DMO, INC. and The City of Santa Clara", dated November 10, 2021 ("Prior Agreement"); and now desire to Amend and Restate the Prior Agreement.
- B. The DMO desires to secure the services of certain City staff for the continued development of the organization, as more fully described under "Scope of Services";
- C. The City represents that it has the professional qualifications, expertise, necessary licenses, and desire to provide services of the quality and type which meet the objectives and requirements of the DMO;
- D. Pursuant to the Prior Agreement, the DMO desired to commit funds to the City to be used exclusively for City staff to provide such services;
- E. The Parties now desire to enter into this Amended and Restated Agreement to replace in its entirety the Prior Agreement and to specify the terms and conditions under which such services will continue to be provided and paid for.

The Parties agree as follows:

AGREEMENT TERMS AND CONDITIONS

1. TERM OF AGREEMENT

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin once this Agreement is signed by both the DMO and the City, at which time the Prior Agreement shall terminate, and this Agreement shall terminate on November 9, 2023.

2. SCOPE OF SERVICES

City agrees to provide to the DMO the following staff and services with DMO funds:

a. City Staff Ruth Shikada

- i. Provides technical and management assistance to the DMO's Board including continued participation as Ex-Officio Board Member.
- ii. Serves as a resource to the DMO on strategies to further develop the organization.
- iii. Determines policies and procedures for the organization and structure; work with Board Members to develop and define.
- iv. Leads efforts in the development of organizational policies and procedures including but not limited to human resources and finance.
- v. Leads efforts in the development of an Employee Incentive Program.
- vi. Assists in other organizational, administrative and/or operational areas as may be requested by the DMO and approved or otherwise accepted by the City.

b. City Staff Nancy Thome

- i. Ensures the business needs of the DMO are successfully executed and processes run smoothly.
- ii. Provides administrative and organizational management support for the DMO including but not limited to:
 - Planning, organizing, directing and coordinating DMO's budgeting, purchasing, strategic planning and general administrative functions;
 - Preparing, negotiating and administering contracts, preparing and maintaining monitoring reporting systems;
 - Preparing the budget and oversight of budget and fiscal controls;
 - Preparing, reviewing, and approving detailed correspondence and reports;

- Providing direct support to DMO Board of Directors and preparing, reviewing, and posting agendas/packets;
- Assisting with Santa Clara Tourism Improvement District activities; and
- Other related work as requested by the DMO.

3. COMPENSATION AND PAYMENT

- A. DMO shall reimburse the City for services provided by City staff Ruth Mizobe Shikada at a rate of \$200.00 per hour. During the term of this Agreement, the maximum compensation payable to the City for services provided by City staff Ruth Mizobe Shikada under this Agreement is **Forty-Thousand Dollars and No Cents (\$40,000.00)**.
- B. DMO shall reimburse the City for services provided by City staff Nancy Thome, retroactive to April 1, 2022, at the City's established cost recovery rate; the FY 2021/22 rate is \$175.32 per hour. The rate is adjusted annually by the City and City shall provide the DMO written notice of said adjustment when it occurs. During the term of this Agreement, the maximum compensation payable to the City for services provided by City staff Nancy Thome under this Agreement is **Thirty-Five Thousand Dollars and No Cents (\$35,000.00)**.
- C. The City shall submit to the DMO on a monthly basis an invoice with reasonable supporting documentation evidencing that the City staff person identified above (or her approved replacement) provided services hereunder. As the City currently holds DMO funds in its bank account and has fiduciary responsibility over said funds, payment to the City shall occur by an internal transfer of funds after each invoice has been approved in writing (which may be given by email) by an authorized officer of the DMO.

4. TERMINATION

- A. Termination for Convenience. The DMO and City each shall have the right to terminate this Agreement, without cause or penalty, by giving not less than Thirty (30) days' prior written notice to the other Party.
- B. Effect of Termination. Upon termination, each Party shall assist the other in arranging an orderly transfer and close-out of services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, City will deliver to DMO all DMO information or material that City has in its possession. In addition, upon such early termination, City will promptly invoice the DMO for any services provided

by the City staff person identified in Section 3 above up to the date of such early termination.

5. ASSIGNMENT AND SUBCONTRACTING

DMO and City bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written approval of City.

City shall be as fully responsible to the DMO for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as City is for the acts and omissions of persons directly employed by it.

6. NO THIRD PARTY BENEFICIARY

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

7. INDEPENDENT CONTRACTOR

City and all person(s) employed by or contracted with City to furnish labor and/or materials under this Agreement are independent contractors, and do not act as agent(s) or employee(s), of the DMO. City has full rights to manage its employees in their performance of City's obligations under this Agreement.

8. HOLD HARMLESS/INDEMNIFICATION

A. To the extent permitted by law, DMO agrees to protect, defend, hold harmless and indemnify the City, its City Council, commissions, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action, and whether sounding in law, contract, tort, or equity, in any manner arising from, or alleged to arise in whole or in part from, or in any way connected with disbursements made on behalf of DMO pursuant to this Agreement – including claims of any kind by DMO's employees or persons contracting with DMO – and shall expressly include passive or active negligence by the City connected with the Services. However, the obligation to indemnify shall not apply if such liability is ultimately adjudicated to have arisen through the sole active negligence or sole willful misconduct of the City; the obligation to defend is not similarly limited. The City shall provide prompt notice to the DMO of any claims or other actions for which the City is entitled to be indemnified hereunder to enable the DMO to timely defend such claim or other action. The DMO shall control the defense of any such claim or other action but will not settle or otherwise compromise any such claim or other action without first

obtaining the written consent of the City, which consent will not be unreasonably withheld or delayed.

- B. DMO's obligation to protect, defend, indemnify, and hold harmless in full the City and City's employees, shall specifically extend to any and all employment-related claims of any type brought by employees, contractors, subcontractors, or other agents of DMO, against the City (either alone, or jointly with DMO), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.
- C. To the extent DMO is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, DMO warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless the City for any penalties, fines, adverse rulings, or tax payments associated with DMO's responsibilities under the Act.

9. WAIVER

City agrees that waiver by DMO of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement. Neither DMO's review, acceptance nor payments for any of the Services required under this Agreement shall be constructed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

10. NOTICES

All notices to the Parties shall, unless otherwise requested in writing, be sent to the DMO addressed as follows:

Silicon Valley/Santa Clara DMO, Inc.
Attention: Eron Hodges, Chair
5001 Great America Parkway
Santa Clara, CA 95054
and by email at ehodges@discoversantaclara.org

And to City addressed as follows:

City of Santa Clara
Attention: City Manager's Office
1500 Warburton Avenue
Santa Clara, CA 95050
and by email at manager@santaclaraca.gov

The workday on which the e-mail was sent shall control the date notice was deemed given. An e-mail transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following business day.

11. COMPLIANCE WITH LAWS

City shall comply with all applicable laws and regulations of the federal, state, and local government, including but not limited to "The Code of the City of Santa Clara, California" ("SCCC"). In particular, City's attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20), and Business Tax Certificate (SCCC section 3.40.060), as such Chapters or Sections may be amended from time to time or renumbered. Additionally, City has read and agrees to comply with City's Ethical Standards (<http://santaclaraca.gov/home/showdocument?id=58299>).

12. CONFLICTS OF INTEREST

City certifies that to the best of its knowledge, no DMO officer, employee or authorized representative has any financial interest in the business of City and that no person associated with City has any interest, direct or indirect, which could reasonably be expected to conflict with the faithful performance of this Agreement. City is familiar with the provisions of California Government Code section 87100 and following and certifies that it does not know of any facts which would violate these code provisions. City will advise DMO if a conflict arises.

13. FAIR EMPLOYMENT

Neither the DMO nor the City shall discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state, or local law.

14. NO USE OF CITY OR DMO NAME OR EMBLEM

Neither Party shall use the other Party's name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, newspaper or other medium without express written consent of the Party owning or holding the rights to name, insignia, or emblem.

15. GOVERNING LAW AND VENUE

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

16. SEVERABILITY CLAUSE; INTERPRETATION; SURVIVAL

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal, or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect. This Agreement shall be construed without regard to the Party responsible for the preparation of the same, and shall be deemed to have been prepared jointly by the Parties; any ambiguity or uncertainty existing herein shall not be interpreted against either Party, but according to the application of other rules of contract interpretation, if an ambiguity or uncertainty exists. All representations, warranties, covenants, indemnities and other terms of this Agreement shall survive any termination or expiration of this Agreement and shall remain in full force and effect to the full extent necessary to protect the Party in whose favor they run.

17. ENTIRE AGREEMENT; AMENDMENTS

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof, and any and all other written or oral agreements existing between the Parties including the Prior Agreement pertaining to the subject matter hereof are expressly superseded and canceled hereby. This Agreement may only be modified by a written amendment duly authorized and executed by the Parties to this Agreement.

18. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument. Electronic copies of signed signature pages transmitted electronically by any Party to the other Party either by facsimile or via the Internet (e.g., in a “.pdf” or “.tif” format data file or comparable format) will be deemed binding originals for all purposes and will be deemed delivered for all purposes when any such copies are received by the other Party.

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The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives.

SILICON VALLEY/SANTA CLARA DMO, INC.,
a California non-profit mutual benefit corporation

Dated: _____

ERON HODGES
Board of Directors Chair
5001 Great America Parkway
Santa Clara, CA 95050
Telephone: (408) 748-7076

“DMO”

CITY OF SANTA CLARA,
a charter California municipal corporation

Dated: _____

By (Signature): _____

Name: _____

Title: _____

Principal Place of Business Address: 1500 Warburton Avenue
Santa Clara, CA 95050

Email Address: _____

Telephone: (408) 615-2210

“CITY”

FY 2021/22 Annual Report



DISCOVER
**SANTA
CLARA**™

THINK BIG. LOOK FORWARD.

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DRAFT



ACCOMPLISHMENTS

TID Hotels occupancy was up _____ from FY 2020/20

Results

Discover Santa Clara™ (DSC) in conjunction with key partners has produced the following results in fiscal year 2021/2022. These results are based on the hiring of two sales manager during the latter half of the year. The focus of the DSC sales team is to transform the event mix of the Santa Clara Convention Center by identifying and securing new Citywide (P1 and P2) Conventions.

Research	Prospects	Definites
<ul style="list-style-type: none"> •118 leads being researched •To date the sales team has researched and identified 118 new P1 and P2 to be followed up on with a goal of turning these new identified groups to qualified prospects. 	<ul style="list-style-type: none"> •25 P1 and P2 prospect leads •Currently there are 25 P1 and P2 prospects that have been developed and are active in the Customer Relation Management (CRM). 	<ul style="list-style-type: none"> •188 total definite leads •There were 188 definite bookings in FY 2021/22. This underscores the challenge and importance of consistent sales and marketing efforts to find qualified conventions and convincing these groups to meet in Santa Clara.

Governance Updates

The Santa Clara City Council approved a strategic direction for the composition of the DSC Board of Directors. This included having representation from the City of Santa Clara, the TID Hotels, Organized Labor, Key Attraction partners (Great America and Levi’s® Stadium) and representation from the Tech Industry and the overall business community.

The Board has been constituted according to this direction. There has been a challenge securing a representative from the Tech industry as well as finding a replacement for the departed business community representative.

In addition, due to Board Members relocating, there are currently open board positions. This includes a representative from the TID hotels, a business community member, and a representative of the Tech industry.



Convention Sales, Incentives and Services

- Hired two sales managers to focus on Citywide (P1 and P2) conventions/events.
- Added a temporary part-time administrative position to support the effectiveness of the Simpleview Customer Relationship Management (CRM) software.
- Developed the FY 2022/23 Sales & Marketing Plan to solidify an approach to raising awareness with the targeted audience.
- Developed a new comprehensive employee handbook.
- Disestablishment of Santa Clara Tourism Improvement District's (SCTID) corporation "Visit Santa Clara" in line with completing the overall transition to the current District.
- Developed ongoing Standard Operating Procedures to support Discover Santa Clara™'s operations such as travel policies.
- Began recruitment efforts for the CEO and new Administrative Services Manager position.
- Attended industry events including regional Professional Convention Management Association (PCMA) and Meeting Professionals International (MPI) events to raise awareness with meeting planners in the region. (confirm all customer events we attended)
- Installed Knowland Group software, a lead source database, that has shown success in supporting the sales manager's prospecting efforts.
- Enhanced the CVENT platform to strengthen the effectiveness of a recognized industry lead generation tool.
- Introduced a new incentive plan designed to reward exceptional performance as we watch overall performance for the sales teams and CEO.
- Developed innovative approaches to engage key partners in enhancing the attendee experience while attending a conference at the Santa Clara Convention Center. These partners include Great America and Levi's® Stadium to name just a few.
- Managed transition to Simpleview Customer Relationship Management (CRM) to streamline sales efforts and automate reports:
 - Identified target market segments for the sales team.
 - Implemented Destinations International Event Impact Calculator (EIC).
 - Implemented new extranet procedures to centralize communication and strengthen relationships with hotel partners, including collecting room night pickups, sending leads, updating contacts, hotel surveys, and providing training.
- Updated the Hotel Room Block and Rate Survey to create an alignment with the Santa Clara Tourism Improvement District hotels and Discover Santa Clara™ sales effort.

Marketing and Communications

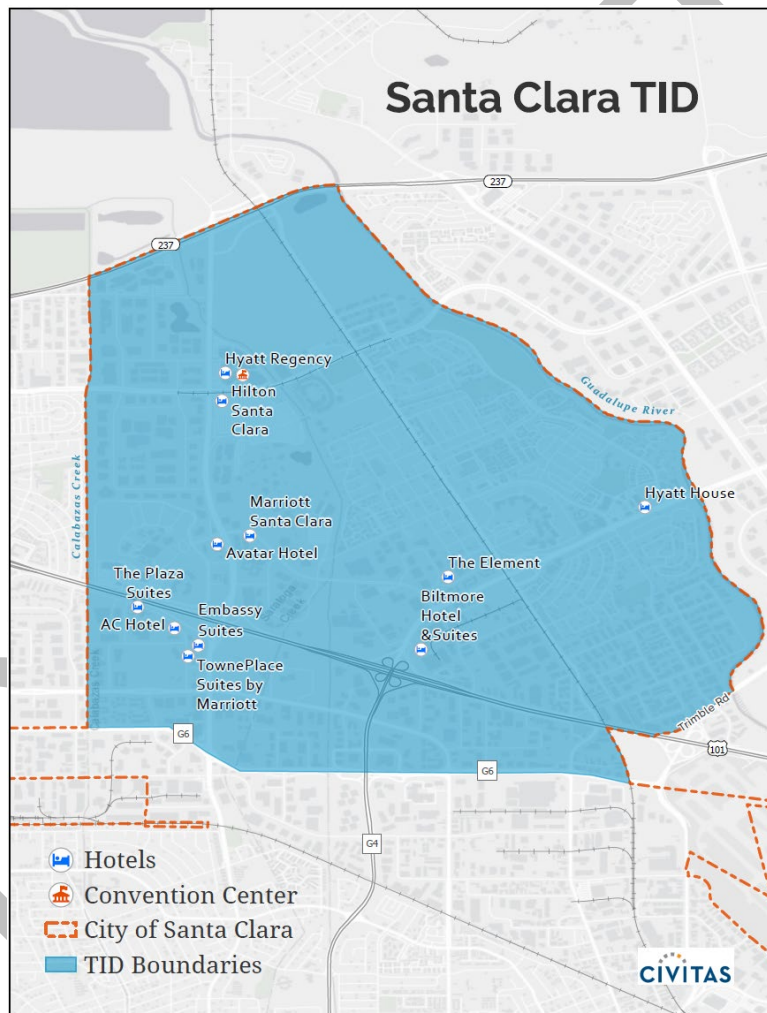
- Creation of a new destination brand to support a consistent look and feel for outreach.
- Developed Discover Santa Clara™ Brand Toolkit.
- Created brand standards with new language and tag line to drive awareness, consistency and differentiation within the meetings and convention market.
- Established a new website with added content that aligns with the new brand.
- Executed a customer activation mail campaign for Valentine's Day and received great response from targeted customers.

BOUNDARY

The SCTID will include all lodging businesses with ten (10) rooms or more, existing and in the future, available for public occupancy within the boundaries of a portion of the city of Santa Clara. The boundary, as shown in the map below, currently includes eleven (11) lodging businesses. There are no proposed changes.

Two lodging businesses changed ownership and name:

- The Biltmore Hotel & Suites is now a Delta Hotel by Marriott
- The Plaza Suites is now the Hyatt Centric Silicon Valley





IMPROVEMENTS AND ACTIVITIES

The improvements and activities to be provided for FY 2022/23 are consistent with the Management District Plan. There are no proposed changes.

The recently completed FY 2022/23 Sales and Marketing Plan will promote the Santa Clara Convention Center, along with 11 SCTID Hotels in Santa Clara as the meetings and event destination. The Plan's main objective includes promoting Santa Clara as a desirable place for overnight visits, with the overall goal of increasing revenue to the Santa Clara Convention Center, overall economic impact to the city, and generating overnight visitation and room night sales for the SCTID hotels. The following are highlights of the activities:

Convention Sales, Incentives and Services

- Collective Teams will continue to meet bi-weekly and work together to identify potential business and strategize on securing citywide (P1 and P2) groups that we are soliciting and other potential opportunities.
- Continue data mining the industry using multiple research platforms to generate new prospects for P1 and P2 businesses in the vertical markets by making solicitation calls, reviewing other center calendars, and leveraging industry event participation.
- Network with industry professionals by attending designated events and providing the latest destination development updates and reasons to bring meetings to Santa Clara.
- Organize and host site visits at the Santa Clara Convention Center for key decision-makers, prospective new clients, boards of directors, site committees, tradeshow management committees and executive boards.

Marketing and Communication

- Generate communications via social and direct e-mail marketing targeting new and existing clients.
- Develop materials to promote the Santa Clara Convention Center and Santa Clara at all planned industry shows.
- Develop strategic client events to provide an opportunity to showcase convention center updates, and other destination developments.
- Facilitate meetings and include representatives from OVG360, Discover Santa Clara™, Levy, SCTID hotels, California's Great America, Levi's® Stadium, the City of Santa Clara, and other relevant partners on an as needed basis to strategize on enhancements to the attendee experience.
- Support and keep clients informed of COVID-19 protocols that may affect their events at the Santa Clara Convention Center .
- Extend incentives on rental rates for post COVID-19 events may need further negotiations to maintain business.
- Continue to engage Levy in the selling process to showcase creativity and innovation in Food and Beverage offerings.
- Develop new approach for floor plan layouts. a. This approach will transform the options that planners have for breakout sessions, general sessions, and exhibits. This will be administered in a cost-effective manner that will create options not yet seen at competing convention centers and designed to improve the overall learning and level participation for attendees.



Administration and Operations

The administration and operations portion of the budget shall be utilized for administrative staffing costs, office costs, advocacy, and other general administrative costs such as insurance, legal, and accounting fees.

Contingency

The budget includes a contingency line item to account for uncollected assessments, if any. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program, administration, or renewal costs at the discretion of the DMO Board of Directors. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall be set by the Board of Directors of the DMO.

City Administration Fee

The City of Santa Clara shall be paid a fee equal to 2% of the amount of assessment collected to cover its costs of collection and administration which may include but are not limited to: staffing costs, legal services, and operational costs for rent, telephone, supplies, postage, and other general office expenses.

DRAFT

COST

[Budget to be included here - Overview and then also with details]

DRAFT



SURPLUS AND OTHER FUNDING

Surplus

The beginning FY 2021/22 fund balance was \$1.47 million, and the current year budget is \$1,356,002. By the end of the current Fiscal Year, DSC is forecasted to be 47% expended resulting in a surplus of \$718,059.

The SCTID assessment was estimated to bring in approximately \$610,936 in revenues. Based on the increased revenues received during the first two quarters, it is estimated that the revenue will be higher than initially anticipated at approximately \$800,000.

Other Funding

OVG360 and Levy contributed a total of \$66,000 for marketing efforts \$36,000 OVG360 and \$30,000 Levy respectively.

ASSESSMENT

The annual assessment rate is 1.5% on gross short-term (30 days or less) room rental (10 rooms or more). Based on the benefit received, assessments will not be collected on stays by any officer or employee of a foreign government who is exempt by reason of express provision of Federal law or international treaty. Additionally, assessments will not be collected on stays by any Federal or State of California officer or employee on official business who shall provide one of the following; a warrant or check drawn on the Treasury of the United States; a copy of the official travel orders indicating the issuing governmental agency and the employee’s full name; or, a copy of a letter on the official letterhead of an exempt governmental agency requesting exemption and listing the employee’s name and stating that the stay is for official government business. The dates of occupancy must also be included.

The DSC Board proposes to increase the SCTID assessment rate to 2.0%. **[Include reason/justification here].**

Santa Clara Tourism Improvement District Revenue

Actual FY 2019/20	Actual FY 2020/21	Estimated FY 2021/22	Forecasted FY 2022/23
\$718,616	\$181,031	\$610,936	\$1,174,623



*Santa Clara
Convention Center*

Monthly Sales
Progress Report

March 2022

Updated: 04-11-22

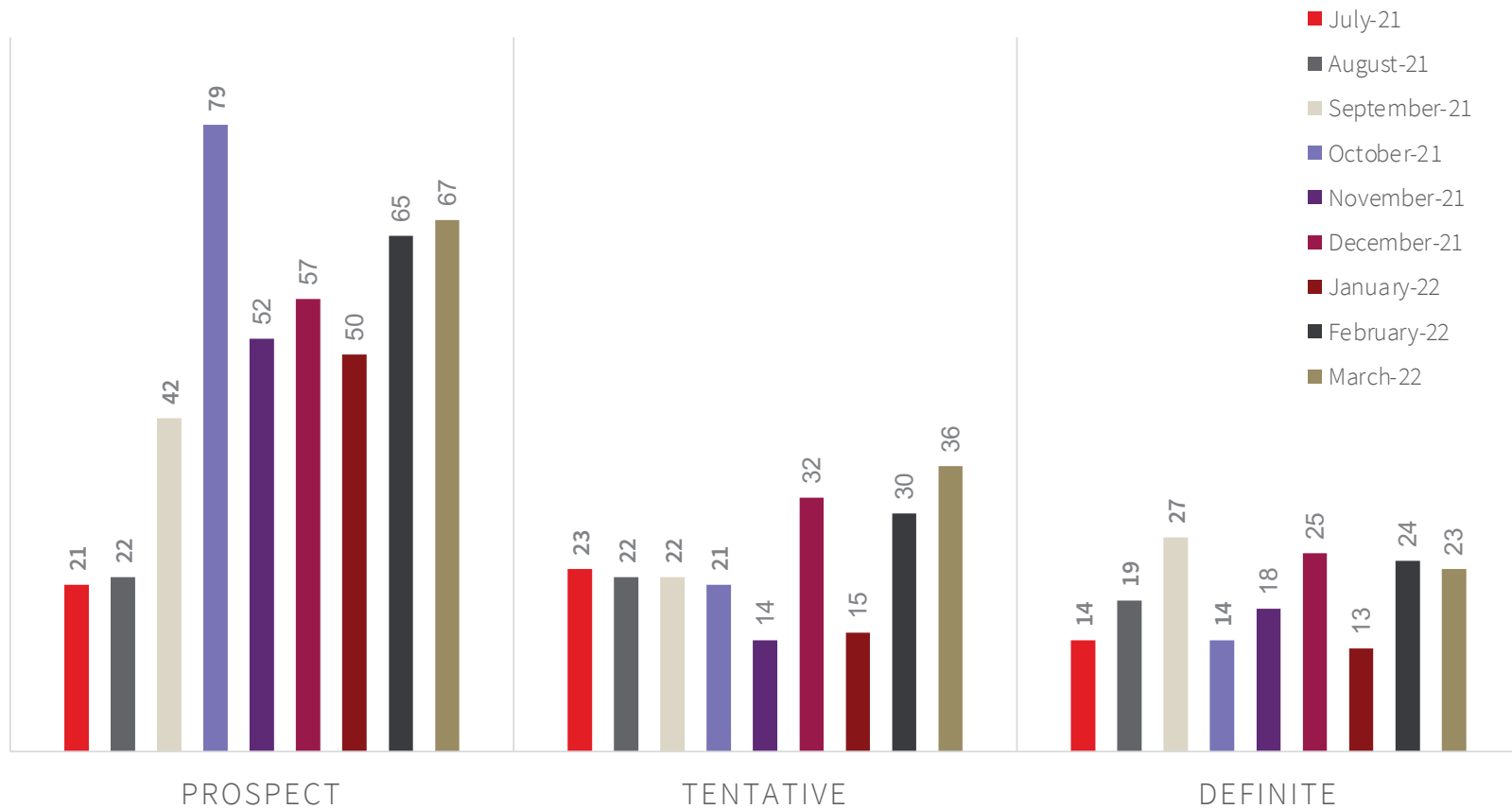


Sales Meeting Topics

Discussion Topics:

- Review monthly sales report
 - Monthly Lead Trends
 - Prospect activity
 - Tentative conversion
 - Definite conversion
 - Lost events by reason
 - Pace to budget
 - Pace to booking goals

Monthly Lead Trends | FY 21-22



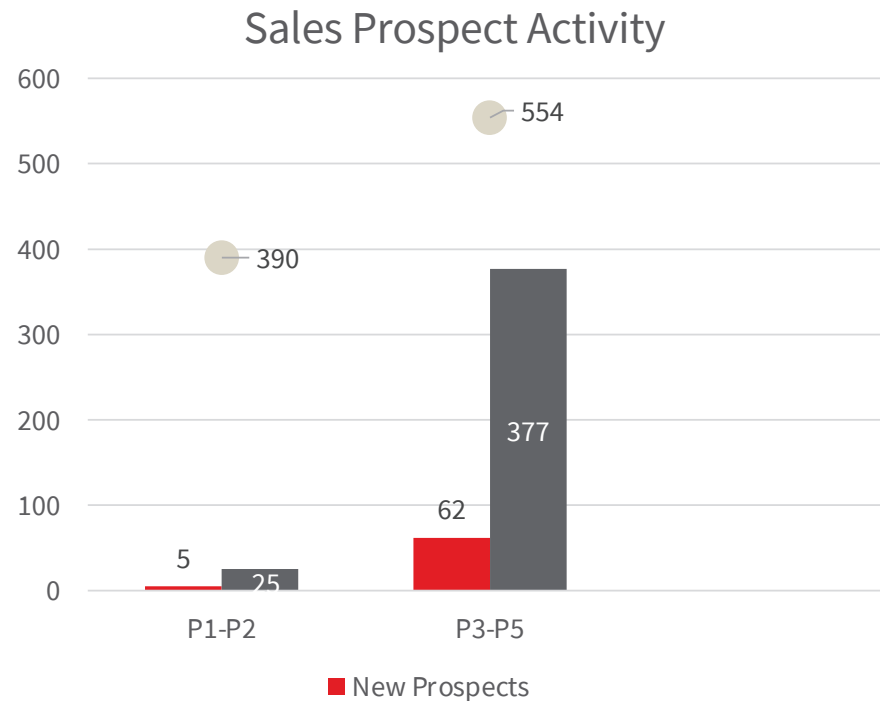
Monthly Totals by Event Type

	P 1 - P 2	P 3 - P 5
Current Active Prospects	25	377
March	P 1 - P 2	P 3 - P 5
New Prospects	5	62
New Tentatives	4	32
New Definites	0	23

SCCC Sales Prospects

The sales teams across all partners added **67** new prospects for the SCCC in the month of March, with an additional 16 being researched.

- Research Activity
 - Total: 128
 - New Added for the month: 16
- There is a goal to maintain a certain level of sales activity.
 - P1-P2 = **390 (current staffing levels)**
770 (proposed staffing levels)
 - P3-P5 = **554**
- New prospects added represent:
 - 26,897 room nights and 69,611 attendees
 - \$10,313,854.00 in Overall Projected Building Spend
- Economic Impact
 - \$31,278,882.73

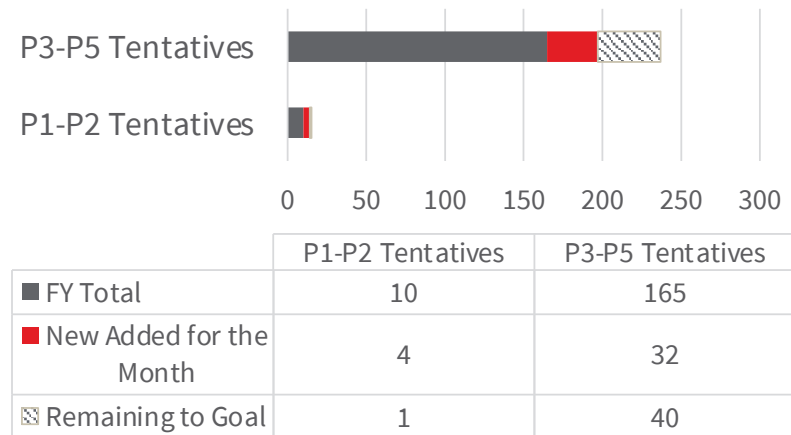


SCCC Sales Tentative Events

The sales teams across all partners added **36** new tentative events for the SCCC in the month of March.

- There is a goal to achieve **252** tentatives annually
- The SCCC team achieved **83%** of its overall annual goal
 - Spectra achieved 89% of 119
 - Levy achieved 57% of 119
- The DMO team has achieved **93%** of its annual goal
- The conversion rate from prospect to tentative YTD is **49%**
- Economic Impact
 - \$13,081,464.86

Total Tentatives Funnel

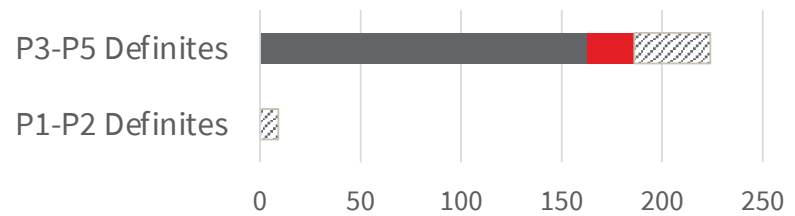


SCCC Sales Definite Events

The sales teams across all partners added **23** new definite events for the SCCC in the month of February for future dates.

- The SCCC teams FY definite booking goal is **224**
 - Spectra’s goal is 30
 - Levy’s goal is 194
- The DMO FY definite booking goal is **9**
- The conversion rate from tentative to definite YTD is **12%**
 - Spectra booked 19
 - Levy booked 4
- Economic Impact
 - \$3,759,794.37

Total Definites Funnel



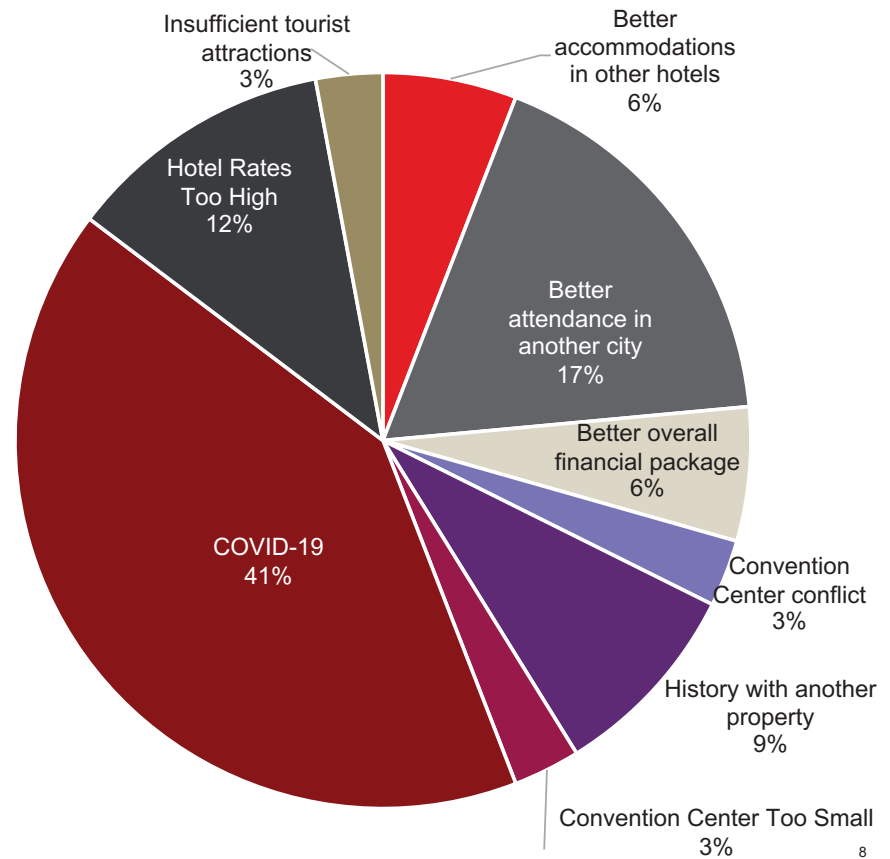
	P1-P2 Definites	P3-P5 Definites
■ FY Total	0	163
■ New Added for the Month	0	23
▨ Remaining to Goal	9	38

SCCC Sales Lost Events

There were 3 pieces of lost business in the month of March.

- The events represented:
 - 3,800 attendees
 - \$564,900 in SCCC revenue (rental + F&B)
- Economic Impact
 - To be added for months going forward

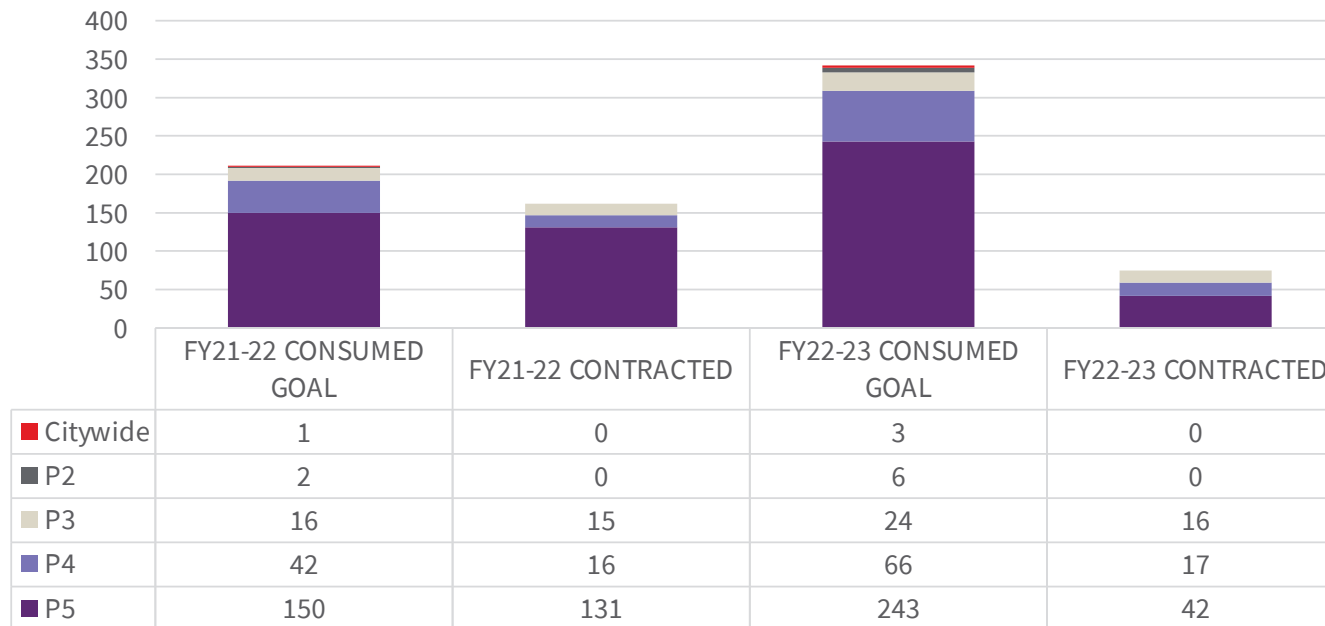
Lost Business by Reason YTD



FY Budget Events (consumed in this FY)

Business Mix
 38% room night generating events FY21-22 Budget
 38% Room nights generating events FY22-23 Budget

FY Consumed Goals



Event Mix Goal to Full Optimization

