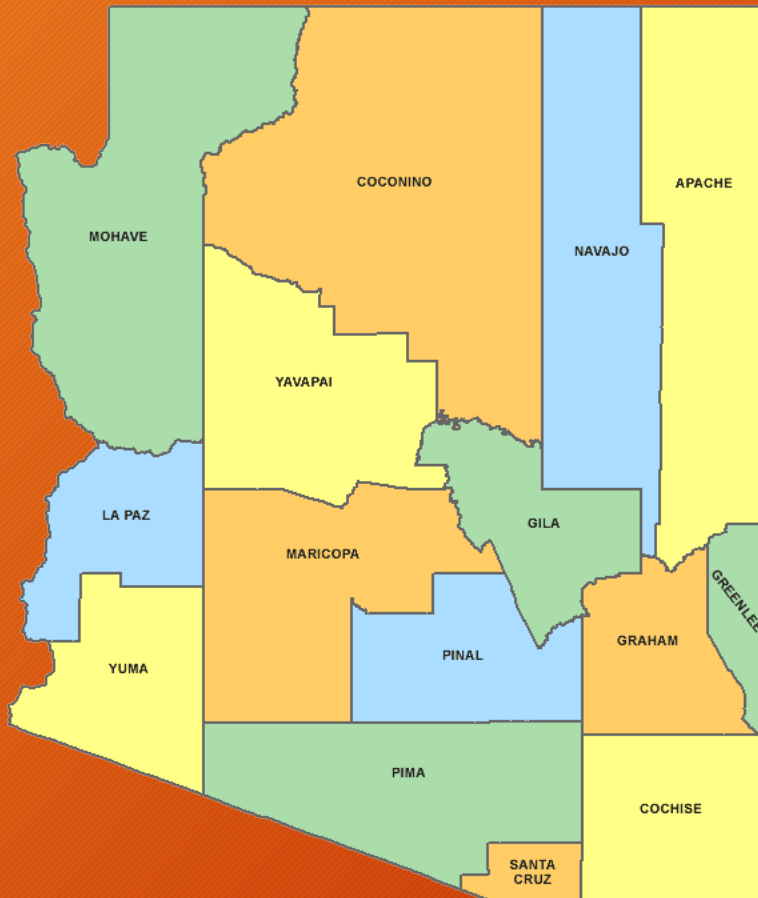
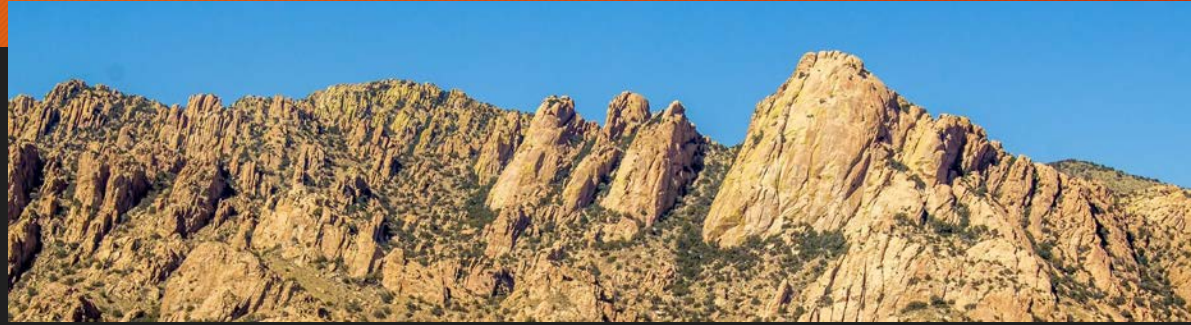




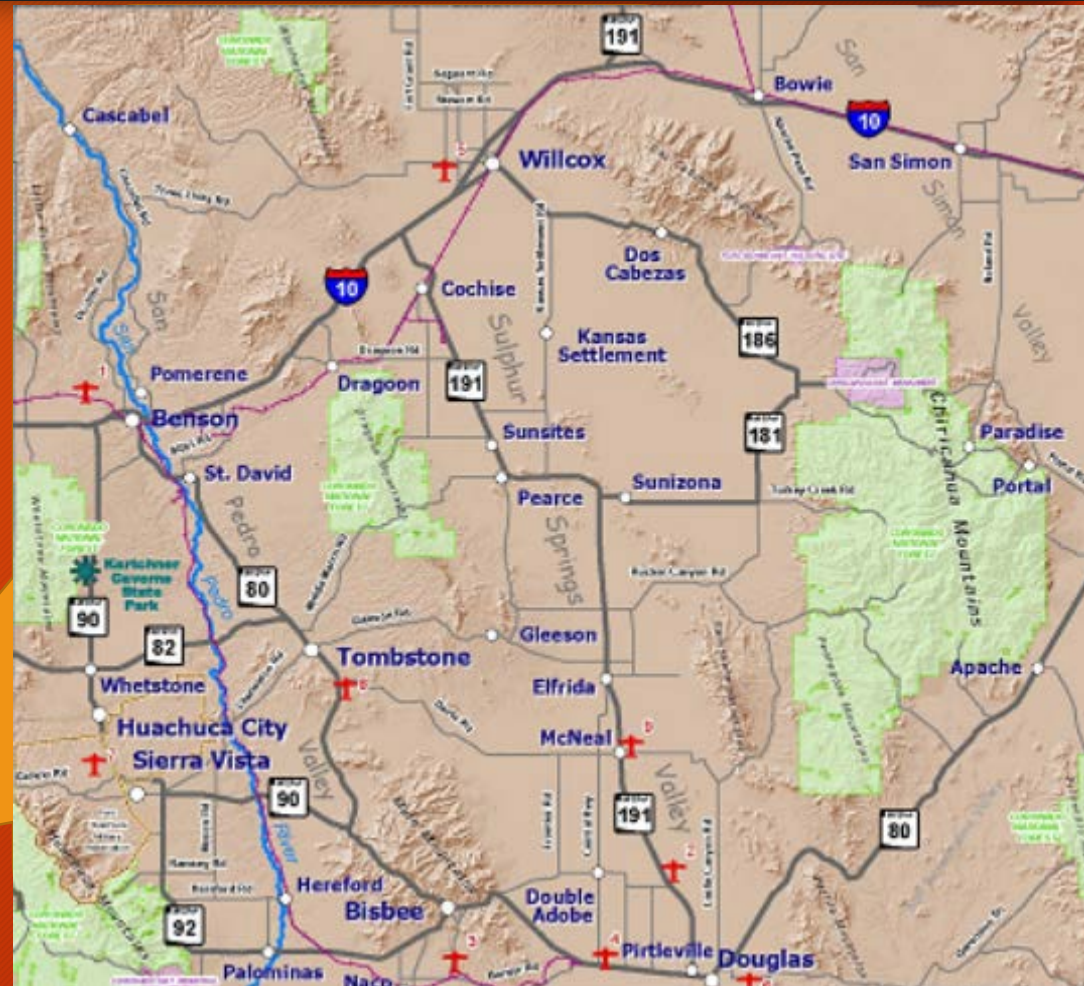
# Visit Southern Arizona

Cochise County's new  
Destination Marketing  
Organization to  
Promote Tourism

# Cochise County



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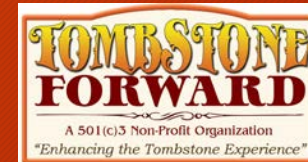


# Cochise County, Arizona, USA

- Cochise County is the gem of Southern Arizona
  - Benson, Bisbee, Douglas, Tombstone, Sierra Vista, Willcox
  - Rural areas of the County
  - Endowed with natural beauty, rugged terrain, colorful history, and numerous attractions including vineyards, wineries & historical sites
- Visit Southern Arizona is dependent upon four sectors
  - Tourism
  - Wine Industry
  - Major Planned Community Developments
  - International Trade



# Current & Former Tourism Promotion Organizations



Tombstone Chamber of Commerce  
"The Town Too Tough To Die"



# Cochise County Tourism Statistics

- Cochise County has approximately 2,300 hotel rooms\*
- Cochise County has approximately 3,000 RV spaces\*
- Annual generated bed tax is \$38 million\*
- Annual generated revenue from bars/restaurants is \$152 million\*
- Annual retail sales is \$867 million\*

It is imperative that we increase our promotional activities for Cochise County in the area of tourism. Establishing a public/private Destination Marketing Organization is designed to do that.

\*Arizona Dept. of Revenue, City of Benson, City of Bisbee, City of Douglas, City of Sierra Vista, City of Willcox, SAEDG and Cochise College Center for Economic Research.



# Cochise County Tourism Tax Income Generation

In 2018, tourism in Cochise County generated:

- \$331 million in direct travel spending\*
- 3,420 jobs\*
- \$84 million in job earnings\*
- \$28.9 million in state and local tax revenue\*
- \$590 tax revenue per household\*

Tax generated from tourism dollars impacts every municipality in Cochise County. It will be the mission of Visit Southern Arizona to increase those tourism tax dollars. Visit Tucson estimated that for every dollar spent in promoting of tourism, \$25 is generated.

\* Dean Runyan Associates and the Arizona Office of Tourism.



# Cochise County Bed Tax Rates

- Benson 5.5%
- Bisbee 6.0%
- Douglas 4.8%
- Huachuca City 1.9%
- Sierra Vista 5.5%
- Tombstone 7.5%
- Willcox 7.0%



# Bed Tax Rates in Comparable Arizona Cities

• Sedona	7.0%	Eloy	7.0%
• Globe	5.3%	Wickenburg	5.2%
• Payson	8.0%	Marana	8.0%
• Guadalupe	10.0%	Tucson	6.0%
• Surprise	6.72%	Cave Creek	7.0%
• Kingman	6.5%	Prescott	5.75%
• Thatcher	5.5%	Nogales/Patagonia	6.0%



# Destination Marketing Organization

Visit Southern Arizona will serve as the Destination Marketing Organization for Cochise County. It will promote all events, attractions, bars, restaurants, and lodging facilities in the County who participate in the organization. It will be funded by bed or accommodation tax revenues from participating municipalities plus Cochise County. It will also be supported by private funds through annual membership dues.



# Visit Southern Arizona Structure

VSOAZ is a 501(c)(6) tax exempt organization

- Board will consist of up to 23 elected directors
- Plus each participating municipality will have 1 seat on the Board
- There can be no more than 5 directors representing each city
- A new Board of Directors will be elected by the membership prior to July 1, 2020 and annually thereafter
- Directors will have 3-year staggered terms
- Officers will be elected by the Board annually



# Visit Southern Arizona Proposed Funding

Funding will come from five sources

- Revenue from municipalities
- Revenue from Cochise County
- Member dues
- Cooperative advertising funds from members
- Grants & gifts



# Projected Revenues

## Projected Annual Revenues

• Benson	\$ 100,000
• Bisbee	\$ 70,000
• Douglas	\$ 40,000
• Sierra Vista	\$ 405,000
• Tombstone	\$ 50,000
• Willcox	\$ 95,000
• Cochise County	\$ 50,000
• Bar/Restaurant Tax	\$ 150,000
• Membership Dues	<u>\$ 79,000</u>
• TOTAL REVENUE	\$1,039,000

\*These figures were calculated as 2% of estimated accommodation tax revenues



# Projected Expenses

## Projected Annual Expenditures

• Staff (7 individuals)	\$ 341,000
• Start up	\$ 84,000*
• Office rent, utilities, insurance+	\$ 80,000
• Marketing of Southern AZ	\$ 296,000
• Travel/Meals/Entertainment	\$ 20,000
• Accounting/Legal	\$ 15,000
• Misc./Reserve	<u>\$ 50,000</u>
• TOTAL EXPENDITURES	\$ 886,000

\*First year only



# Marketing Plan

To Include, but not limited to:

- Cross collaboration with many existing entities
- Establish a Brand/Logo that incorporates all proposed municipalities
- Development, operation and maintenance of a full-service Website
- Operation and maintenance of a Facebook Page and other social media
- Coordination of Public Relations Efforts
- Coordination of support with the Fundraising
- Develop more unique County-wide events
- Targeting markets for RV parks, festivals, parades, and museums
- Coordinating press releases from members and VSOAZ
- Partner with other DMO's for cross-promotion & Co-Op advertising opportunities



# Revenues from Municipalities & Cochise County

- Visit Southern Arizona is requesting all municipalities in Cochise County contribute an amount equal to a 2% bed or accommodation tax
- Options
  - Designate 2% of the municipalities' existing bed tax OR
  - Designate 1% of the existing bed tax PLUS increase the bed tax by 1% OR
  - Fund with a direct budget line item from the General Fund equal to 2% bed tax
  - Increase the existing bed tax by 2% PLUS
- Establish an overall bar/restaurant tax of .2 %



# Board of Directors

## Officers

- George Scott - Benson - CHAIR
- Coleen Rodefer - Sierra Vista - VICE CHAIR
- Peggy Judd - Cochise County - SECRETARY
- John Riggs - Willcox - TREASURER

## Board members

- Andrew Abernathy - Benson
- Mignonne Hollis - Sierra Vista
- Najayyah Many Horses - Benson
- Patrick Burke - Willcox
- Kevin Oberg - Benson
- Daniel Valle - Sierra Vista/Bisbee
- Nancy-Jean Welker - Bowie
- Mark Schmitt - Cochise College



# Staff



**Brent L. Davis, President/CEO**

Former member of Tucson City Council and  
founder of Visit Tucson



**Cathy Wagner**

IT and Marketing Coordinator



**Alan Baker**

Director of Marketing and Social Media



**Vera Gates-Williams**

Director of Membership



**Donna Rainville**

Communications Coordinator



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