

TEAM SAN JOSE

Semi-Annual Update

Community and Economic Development Committee

March 24, 2025

Item (d)1

Presenters:

Nanci Klein, Director, Office of Economic Development and Cultural Affairs

Team San Jose: John LaFortune, Ihab Sabry, Laura Chmielewski, Matthew Martinucci, Ben Roschke



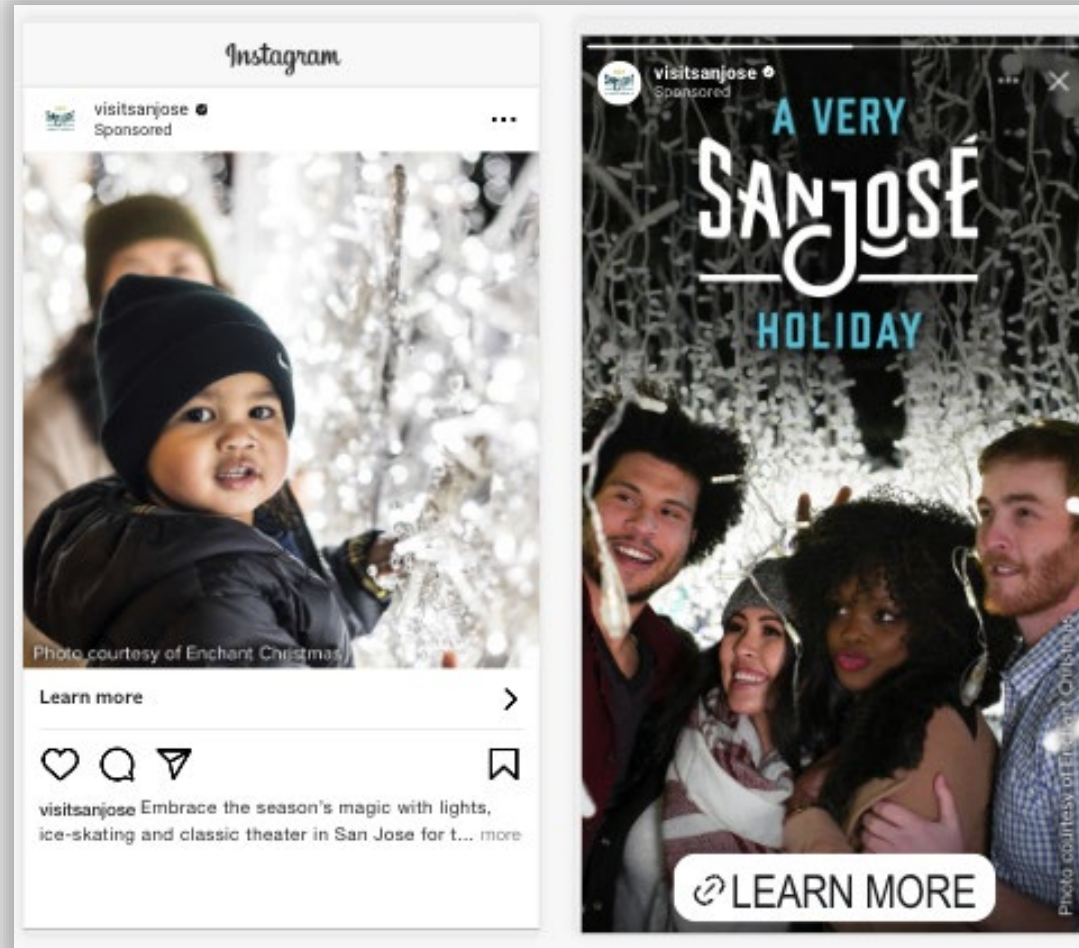
A photograph of a bustling outdoor dining area at dusk. Numerous people are seated at long wooden tables, engaged in conversation and dining. The scene is illuminated by warm string lights hanging from above. In the background, there are trees, a modern building with a glass facade, and a white building with a dark roof. The overall atmosphere is lively and social.

COLLABORATIVE LOCAL CAMPAIGN

LOCAL PAID MEDIA



SOCIAL MEDIA



The logo features the letters 'TSJ' in a dark blue, bold, sans-serif font. Below 'TSJ' is the word 'BASH' in a large, white, bold, sans-serif font with a thick dark blue outline. The background is white with dark blue and gold geometric shapes on the left and right sides.

TSJ BASH

BI-ANNUAL
SUMMIT FOR
HOSPITALITY

TARGET SETTING CONSIDERATIONS

- Performance targets should represent feasible markers of excellent performance within expected market conditions.
- Most performance targets impact the allocation of budgetary resources within the Convention and Cultural Affairs Fund to support facility operations
 - Overly aggressive performance targets would negatively impact the fund if not met
 - Given lower activity levels since the pandemic, the fund operates at an extremely thin margin
- The timing of when performance targets are set during the budget process often does not line up with when large customers commit to host events.

FISCAL YEAR 2024-25

MID-YEAR

	YTD ACTUAL	GOAL	VARIANCE
Estimated Direct Visitor Spending	\$31,974,139	\$29,394,224	\$2,579,915
Future Hotel Room Nights Booked (Citywide)	58,334	58,501	(167)
Theater Occupancy	94%	103%	-9%
Gross Operating Revenue	\$22,636,536	\$22,685,118	(\$48,582)
Gross Operating Results	\$2,217,819	\$876,425	\$1,341,394
Customer Satisfaction	93%	95%	-2%
Response Rate	32%		

PERFORMANCE

San Jose continued its strong year-over-year growth. It began accelerating in Q3 and Q4 of FY 2023-24.

San Jose led the 13 top competitive markets in year-over-year revenue growth at 9% over FY 23-24 and growth in revenue for each available room at 16% over FY 23-24.

DOWNTOWN GROWTH

- Gains were driven by the accelerating recovery of our Downtown. For calendar year 2024, Downtown saw year-over-year growth of 14% in rooms sold, 22% growth in room revenue and 39% growth in revenue for each available room.

OUTLOOK

- Through the first two months of fiscal year Q3, there has been slightly more volatility in the market. Downtown is continuing to perform strongly year-over-year, but there is increased volatility in citywide hotels.

UPDATE

Consumed Group Business

- Full calendar-year 2024 vs. 2023
 - Up 14%, but not enough

Citywide Initiatives

- Downtown availability calendar
- Citywide master contract
- Uptown collection





UPTOWN HOTELS

- 1 Spark by Hilton San Jose Airport
- 2 Homewood Suites by Hilton San Jose Airport — Silicon Valley
- 3 Hampton Inn & Suites San Jose Airport
- 4 Holiday Inn Express & Suites San Jose Airport, an IHG Hotel
- 5 Hyatt Place San Jose Airport
- 6 Hyatt House San Jose Airport
- 7 DoubleTree by Hilton Hotel San Jose
- 8 Fairfield Inn & Suites San Jose Airport
- 9 Sonesta ES Suites San Jose Airport
- 10 Sonesta Select San Jose Airport
- 11 Residence Inn San Jose Airport
- 12 SpringHill Suites San Jose Airport
- 13 Extended Stay America Suites — San Jose — Downtown
- 14 Four Points by Sheraton San Jose Airport
- 15 Hilton Garden Inn San Jose Airport
- 16 Holiday Inn San Jose — Silicon Valley, an IHG Hotel
- 17 Uptown Oasis San Jose Airport
- 18 Country Inn & Suites by Radisson, San Jose International Airport
- 19 La Quinta Inn & Suites by Wyndham San Jose Silicon Valley
- 20 Element San Jose Airport
- 21 Best Western Plus Airport Plaza

CONSUMER PAID MEDIA

IMPRESSIONS **49,673,851**

INQUIRIES **2,997,653**

REACH **16,557,950**

HOTEL BOOKINGS **30,490**

HOTEL REVENUE **\$15,729,084**

FLIGHT BOOKINGS **13,344**

TOTAL REVENUE

Flight + Hotel Revenue
Combined

\$30,623,499

TOTAL ROAS

Return on Ad Spend

\$54.82

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