

Mayor Cal Sheehy
Vice Mayor David Diaz
Councilmember Nancy
Campbell
Councilmember Jeni Coke
Councilmember Jim Dolan
Councilmember Michele Lin
Councilmember Cameron
Moses



Lake Havasu City
Council Chambers
92 Acoma Boulevard South
Lake Havasu City, Arizona
86403
www.lhcaz.gov

City Council Work Session

Minutes - Final

Tuesday, March 10, 2026

4:00 PM

1. CALL TO ORDER

Mayor Sheehy called the meeting to order at 4:00 p.m.

2. PLEDGE OF ALLEGIANCE

The Mayor led in the Pledge of Allegiance.

3. ROLL CALL

Present

7 - Councilmember Jeni Coke, Mayor Cal Sheehy, Councilmember Michele Lin, Councilmember Jim Dolan, Councilmember Cameron Moses, Councilmember Nancy Campbell, and Vice Mayor David Diaz

*Councilmember Jim Dolan was present via remote conferencing.

4. PUBLIC HEARING

4.1 [ID 26-5138](#) Discussion Regarding Go Lake Havasu

Mayor Sheehy stated that this item was requested by Vice Mayor Diaz and turned the item over to Vice Mayor Diaz.

Vice Mayor Diaz stated that he requested this item to discuss staffing and funding with Go Lake Havasu and receive an update on their contract with the City and receive feedback from the City Council and citizens.

Mayor Sheehy stated that the order of business would include an update and presentation from City Attorney Kelly Garry, Go Lake Havasu, and Arizona Lodging & Tourism Association (AzLTA).

Ms. Garry gave a brief presentation on the City's contractual history and background with Go Lake Havasu. She reviewed the following in her presentation:

1980's

- 1981 – 3% transient rental (bed) tax adopted by City Council for promotion, development, enhancement of tourism industry and worthwhile community project (Ordinance No. 81-64)
- 1982 – Contract with Colorado River and Mohave County Visitor and Convention Bureau
- 1984 – Agreement with Lake Havasu Area Chamber of Commerce for promotion, development, and enhancement of tourism industry
- 1986 – Revised purpose of bed tax to promotion and advertisement of this City, maintenance of the London Bridge, economic and industrial development, costs of administration and miscellaneous activities to promote Lake Havasu City and its continued growth (Ordinance No. 86-192)
- 1987 – Repeal of Tax Code/related ordinances and adopt new Tax Code (Ordinance No. 87-207)

1995-96

- Agreement with VCB for Promotion, Development and Enhancement of the Tourism Industry
 - Payment amount adopted in final budget after evaluation of amount requested by VCB
- Exhibit A
 - Payment amount \$255,000 from transient rental occupancy (bed) tax fund for FY 95/96

1996

- Ordinance No. 96-497 – City Council increased restaurant and bar tax from 2% to 3% and designated additional 1% for promoting tourism and economic development
- Ordinance No. 96-498 – City Council designated 3% transient occupancy (bed) tax for promoting tourism and economic development

2002

- Funding mechanism changed to fixed percentage of tourism/economic development tax fund
 - 75% Tourism Bureau, 25% Partnership for Economic Development
- Addendum to Agreement with Lake Havasu Tourism Bureau
 - Payment amount 75% of the total collections from the FY 02/03 tourism/economic development tax fund

2021-23

- 2021 – Funding mechanism changed from percentage to performance

based

- Funding Agreements with Go Lake Havasu
 - Fixed payment amounts of monthly installments \$133,333.33
- Current Funding Agreement term until June 30, 2029

Vice Mayor Diaz asked for clarification on the funding mechanism, to which Ms. Garry said all funding increases and taxes were adopted by ordinances by the City Council.

The following Board of Directors from Go Lake Havasu provided a brief overview of their positions, qualifications, and work of Go Lake Havasu:

- Ms. Kristina Gallo, Executive Committee Chair
- Ms. Janene Samp, Executive Committee Vice Chair
- Ms. Becky Goldberg, Executive Committee At-Large

Mr. Shawn Buckley, CEO of Go Lake Havasu, stated that his presentation would focus on Go Lake Havasu as a business, where it fits in the scope of the community and tourism space, and how it measures in the industry at large. He outlined the following in his presentation:

Reporting

- Financials 2026 Board Meeting Dashboard
 - January 2026 (-2.1% variance)
 - Actual: \$155,540
 - Budget: \$152,383
 - YTD (-% variance)
 - Actual: \$1,054,762
 - Budget: \$1,053,181
 - Fiscal Year (48% Remaining)
 - Budget: \$2,039,400
 - Remain: \$984,638
- Web
 - January 2026
 - Total: 82K
 - New: 77K
 - Duration: 1:08
 - December 2025
 - Total: 64K (33.6%)
 - New: 58K (32.3%)
 - Duration: 1:01 (12.3%)
 - VS January 2025
 - Total: 63K (30.6%)

- New: 57K (34.1%)
- Duration: 1m 52s (-39%)
- o Social
 - Facebook vs. December 2025
 - Follow: 1,076
 - Reach: -15%
 - Engage: 50%
 - Instagram
 - Follow: 194
 - Reach: -39%
 - Engage: -87%
 - X
 - Follow: 4,359
 - Reach: 8%
 - Engage: 13
- o PR – Booking Engine
 - 26 Earned Media Features
 - 42m+ Earned Media Impressions
 - YTD (166.2%)
 - 2025: \$1,487
 - 2026: \$3,959
- o Visitor Center
 - January 2026
 - Sales: \$20,172 (10.5% YTD)
 - Traffic: 15,259 (19.3% YTD)
 - vs. December 2025
 - Sales: \$12,215 (60.5%)
 - Traffic: 8,620 (56.5%)
 - vs. January 2025
 - Sales: \$15,852 (27.3%)
 - Traffic: 9,600 (58.9%)
- o Lodging Tax
 - October 2025
 - 3% H/M: \$117,258 (-19.0%)
 - 1% R&B: \$157,465 (7.9%)
 - November 2025
 - 3% H/M: \$111,241 (8%)
 - 1% R&B: \$160,975 (9.7%)
 - Fiscal YTD
 - 3% H/M: \$738, 063 (-7.2%)
 - 1% R&B: \$765,347 (-1.0%)

Industry context and funding

- Industry Benchmark
 - Tourism economics indicates mature destinations typically experience: 0-2% annual visitation growth during periods of tourism normalization.
- Market Conditions
 - Recent tourism indicators show:
 - Softer Domestic leisure travel
 - Softer International markets
 - Normalization following post-pandemic demand
- Go Lake Havasu TPT
 - 3% Lodging (Hotel/Motel) Tax
 - 1% Food & Beverage Tax
 - This hybrid structure is uncommon among DMOs. Most DMOs are funded primarily through lodging taxes.

Budget structure, roi context

- Industry Benchmark
 - Small regional DMOs typically operate with budgets of: \$1M - \$3M
- Go Lake Havasu
 - Tourism Tax generated (\$4.19M)
 - Marketing Budget (\$1.6M)
- TPT Efficiency
 - \$1 / \$2.60 tourism tax generated
 - Industry marketing impact benchmark:
 - \$1 / \$20 to \$40 visitor spending

Destination Performance

- Industry Benchmark
 - Mature destinations typically maintain stable visitation during normalization periods.
- Lake Havasu City
 - Annual visitation: 1.6M-1.7M visitors
- TPT Collections (Relatively stable year-over-year and improving)
 - Trajectory
 - B / B
 - Current Grade
 - B

Regional Tax Context

- Industry Benchmark
 - o Several Western tourism markets have experienced declining lodging tax revenues
 - Las Vegas – Room tax revenue (-5%)
 - Greater Palm Springs – TOT revenue (-8%)
 - Big Bear Lake – TOT collections (-7%)
 - North Lake Tahoe – TOT revenue (-6%)
 - Sedona – Bed tax (-3%)
 - Page – Lodging tax (-8.7%)
- Interpretation (Stable lodging tax performance during a period of regional declines reflects strong tourism resilience)
 - o November 2025
 - 8.01% Lodging
 - 9.74% F&B
 - o December 2025
 - 4.71% Lodging
 - 5.08% F&B

Marketing Performance

- Industry Benchmark
 - o Sample travel marketing metrics:
 - Display CTR: 0.06-0.10%
 - Social Engagement rate: 3-5% typical
- Go Lake Havasu
 - o Paid digital media: B+
 - o Organic social media: A
 - o Website engagement: B
 - o Earned media amplification: A+
- Trajectory
 - o B- / A-
- Current Grade
 - o A-

Earned Media Performance

- Industry Benchmark
 - o Typical small-market DMOs generate: 5M–20M earned impressions
- Go Lake Havasu
 - o Earned media impressions: 30M– 50M+
- Trajectory
 - o National recognition includes:

- USA Today 10 Best awards
- Conde Nast Traveler
- Parade Magazine Best Towns Contest, etc.
- B- / A+
- Current Grade
 - A+

Visitor Center Performance

- Industry Benchmark
 - Many visitor centers nationwide are experiencing: -2% to -5% visitation declines
- Go Lake Havasu
 - Visitor Center Traffic: 68,193
- Trajectory
 - YOY Traffic
 - +14.48%
 - YOY Retail
 - +11.55%
 - B- / A-
 - Current Grade
 - A-

Event Performance

- Industry Benchmark
 - Anchor tourism events: 50-60%
 - Emerging tourism events: 25-35%
 - Community events: ≤10-15%
- Go Lake Havasu
 - Anchor events: 35-40%
 - Emerging events: 20-25%
 - Community events: 35-40%
- Marketing
 - C / A-
- Current Grade
 - A-
- Event Sponsorship Model
 - C- / C
- Current Grade
 - C

Growth Opportunities

- Industry Benchmark - High-performing DMOs diversify visitation through:
 - o Group travel
 - o Gateway markets
 - o International itineraries
- Go Lake Havasu
 - o Southern California
 - o Phoenix/Central Arizona
 - o Las Vegas Gateway
- Growth Opportunities
 - o Group Tour Development
 - o Multi-Destination Itineraries
- Trajectory
 - o C / B+
- Current Grade
 - o B+

Performance Assessment

- Overall scored
 - o Visitor Economy: B-
 - o Marketing Performance: A-
 - o Earned Media: A+
 - o Visitor Center: A-
 - o Event Marketing: A-
 - o Event Sponsorship Model: C
 - o Strategic Direction: A-
- Interpretation
 - o Beginning of Evaluation Period B-
 - Current: A-
 - o Go Lake Havasu is performing at a high operational level relative to industry benchmarks, with the primary opportunities for improvement in event sponsorships and group travel.

Here's the Problem(s)

- 1% Food & Beverage
 - o Anomaly among DMO funding models
 - o Most are funded exclusively through lodging tax
 - o Implies a residential tax
- Solution
 - o Increase Lodging Tax % to offset residential contribution of the 1% F&B
 - o Most feeder markets are generating 9%+ from their guests, so a

proposed 3% increase in lodging tax would offset the balance of the 1% F&B – and still remain in an acceptable range for travelers.

- Board of Directors
 - o Current Roster
 - Real Estate: 25%
 - Media: 17%
 - Hotels: 17%
 - Recreation: 17%
 - Restaurant: 8%
 - Bank/Finance: 8%
 - Education: 8%
 - o Best Practice DMO Roster
 - Hotels/Lodging: 30-40%
 - Attractions/Recreation: 20-25%
 - Restaurants/Hospitality: 10-15%
 - Marketing/Tourism: 10-15%
 - Civic/Community: 10-15%
 - o Solution
 - Board Audit
 - Bylaw Revision
 - Council Placement on Executive Committee
 - Introduce Board Reporting

Councilmember Lin asked for clarification regarding the difference between sponsoring and marketing, to which Mr. Buckley said when Go Lake Havasu is sponsoring an event they are contributing money to the event and are assisting in the finance of the production of the event, and when Go Lake Havasu is marketing an event, they are marketing it out in the community. Councilmember Lin asked if sponsoring events is normal, to which Mr. Buckley replied yes noting that an argument could be made that is exactly why destination marketing organizations exist. Councilmember Lin asked what their budget was for sponsoring events, to which Mr. Buckley said they are over budget this year due to investing in new areas but have allocated \$225,000 this year.

Mr. JD Butler, Arizona Lodging & Tourism Association (AzLTA), presented on Arizona tourism marketing and community impact and outlined the following in his presentation:

AzLTA

- The leading statewide public policy organization advocating for Arizona's travel, lodging, arts/attractions and sports industry

By the Numbers – Arizona Tourism

- Over 46.5 million visitors annually
- Visitors spend about \$30 billion annually
- Supports nearly 300,000 direct and indirect jobs
- Generates more than \$4.3 billion in taxes for communities
- Less than one quarter visitor spending is on lodging
- ROI for tourism promotion is high

Why Market Tourism?

- Tourism is an “export” industry that brings outside dollars into local businesses
- Competing against destinations with large advertising budgets
- Without reliable funding, destinations can lose out on conventions, events, and overnight visitors to better-funded competitors
- Visitor spending supports local jobs and generates tax revenue that helps fund critical services
- Marketing helps attract the right visitors at the right times, in ways aligned with community priorities
- It’s not always safe to assume that visitors will continue to come

Who Markets Arizona

- Statewide: Arizona Office of Tourism (AOT)
 - Build statewide brand & market the entire state
 - Drive awareness nationally & internationally
- Regional/Local: Destination Marketing Organizations (DMOs)
 - Convert statewide interest into local visitation
 - Tells a local story and targets key visitors
 - Promote local events/businesses, seasonal strategies, and group travel
- Private Sector: Individual Businesses
 - Hotels, attractions, restaurants, retailers market their own products
 - DMOs help align these efforts into one consistent destination message

What are other Destinations Doing?

- Visit Phoenix: \$24.2M
- Experience Scottsdale: \$14.2M
- Visit Las Vegas: \$460M (includes convention center)
- South Lake Tahoe: \$3.1M
- Moab: \$5.9M
- Aspen: \$6M
- Jackson Hole: \$7.5M

The Impact of Destination Marketing

- Define and protect the brand of a destination
- Target specific visitor segments (family, leisure, outdoor adventure, events, etc.)
- Help fill gaps in seasonality
- Recruit groups and events that generate large room blocks
- Connect visitors to local businesses and experiences
- Provide visitor services and a trusted “front door” for trip planning

Measurable Effectiveness

- Visitor volume and mix: room nights, length of stay, seasonality patterns
- Economic impact signals: lodging performance trends, visitor spending patterns
- Marketing performance: website conversions, inquiries, campaign efficiency
- Group/events impact: room blocks booked, event recruitment pipeline
- Local partnership outcomes: business participation, co-op programs, referrals

Bottom Line

- Tourism marketing is economic development
- Arizona competes for visitors, events, and group travel
- Helps destinations compete for the right visitors
- Marketing is measurable
- DMOs align local businesses, hotels, and partners
- Visitor spending extends far beyond lodging

Mayor Sheehy opened the public hearing.

The following individuals spoke regarding Go Lake Havasu:

- Mr. Edward Kats, citizen
- Mr. Neil Tinsley, citizen
- Mr. Jan Kassies, citizen
- Mr. Dave Johnson, citizen
- Ms. Pam Swenson, citizen
- Ms. Reagan Ross, citizen
- Mr. Dan Roddy, citizen
- Mr. Bob Barrett, citizen
- Mr. Alex Ross, citizen
- Ms. Bonny Toy, citizen
- Mr. Tim Murray, citizen

There being no further comments, Mayor Sheehy closed the public hearing.

Vice Mayor Diaz requested a follow-up on this item to discuss the Go Lake Havasu contract and the possibility of the Council liaison being a voting member on the board.

Councilmembers Dolan, Campbell, and Moses expressed concerns related to the direction, marketing and sponsoring, and funding between the City and Go Lake Havasu.

Councilmember Moses expressed appreciation to the board members for their service and dedication and encouraged members in the community with marketing expertise to join the board.

Councilmember Lin noted that she did some research and found that the City of Kingman has their own economic development department that is dedicated to tourism and their visitor center. She reviewed the City of Kingman's budget for tourism efforts and said they do not do any sponsorships and do it all in-house and do not have a board. She emphasized that she understands that Lake Havasu City is different than the City of Kingman in terms of tourism; however, the City could bring it in-house and have more accountability.

Mayor Sheehy thanked the community for their comments and the Board of Directors for their service, and noted that this item would come back to Council for further discussion at a future meeting.

5. ADJOURN

The meeting adjourned at 5:35 p.m.

CERTIFICATION

I hereby certify that the foregoing is a full and true copy of the Work Session Meeting Minutes of the Lake Havasu City Council held on the 10th day of March, 2026. I further certify that the meeting was duly called and posted, and that a quorum was present.

Kelly Williams, City Clerk/MMC