



MINUTES: Meeting of the Board of Directors

Thursday, June 8, 2023

CALL TO ORDER

The Catalina Island Tourism Authority (CITA) meeting was called to order at 1:00 pm by Board Chair, Bryce Noll. This meeting was held in the Founders Room of US Bank with two board members attending via Zoom: Andrew Allen could not attend the meeting in person due to business operations requiring him to remain on the premise and attended the meeting from Two Harbors on camera, alone; Janet Flathers joined the meeting at 1:06pm on camera and alone at home in Avalon due to a medical emergency. NOTE: As of Jan 31, 2023 we have been advised to take roll-call votes on all action items. CITA is not required to meet the Brown Act standards at this time, but has been advised by legal counsel to do so as much as possible.

DIRECTORS PRESENT IN-PERSON (13)

Noll, Bombard, Kielpinski, Villalobos, Bradley, Foley, Glass, Hohenstein, Maistros, Paret, Teng, Vega, Wright (in-room quorum established)

DIRECTORS ATTENDING REMOTELY VIA ZOOM (2)

Allen, Flathers

DIRECTORS ABSENT (4)

Fornasiere, Ponce, Stevenson, Cassidy

STAFF PRESENT (4)

Luttjohann, Miller, Johnson, DeMyer

GUESTS (4)

Tyler Wilson, Grayce Upton, Brian Tress, Mitchel Anzivino

PRESENTATION VISIT CALIFORNIA REGIONAL PLANNING

Brian Tress and Mitchel Anzivino introduced themselves, gave a brief bio and narrated their slide presentation. At 1:04pm Foley entered the meeting room. The team members for 2023 Tourism Plans are gathering data for a readiness index. Flathers joined the meeting via Zoom at 1:06pm. The team has crafted 75 data points for each region in California. Even though this portion of the study is complete, those in the tourism industry are encouraged to add input to further customize results. The current regional advisory committee is made up of 22 individuals from the LA County region. They meet on a monthly basis, receive updates on the prior month and are apprised of upcoming plans. Dec 2023 the group will wrap-up large stakeholder engagement. Those not on the advisory committee are asked to engage to enable the team to “collaborate with those living it every day.” There are focus groups on sustainability and more. An outreach to traditional and non-traditional audiences is planned to add any group touching tourism to the task force. Year two begins January 2024 with regional demand driver assessments and February will include comments and best practices. May 2024 the scorecard on resilience and sustainability will include seven points of the assessment criteria. August 2024 the team plans to have developed regional priorities and recommendations with a focus on achievable goals. December 2024 regional plans should be delivered. Luttjohann asked about the possibility of data reports by environs like: resorts, rural, suburban, urban, etc. Tress said it is possible and would be useful for several stakeholders. Anzivino added that regions will be delineated, results will show heavier traffic trails, and the 75 data points will be of help. Tress indicated there is no desire to devalue urban regions because

they are different and will check with VisitCalifornia to explore further. Luttjohann mentioned a few characteristics of the island like extreme seasonality, wilderness and more that make it look different to most of LA County. Bombard asked how to help. Tress advised reviewing the data now and mentioned that any aspects to contribute are beneficial with Anzivino adding more participation from Catalina Island will be helpful. Tress stated they will be visiting the island during the process. Noll thanked them for the presentation.

Accept the remote attendance of Board Members Allen and Flathers

Motion for approval Glass, second Noll; roll-call vote passed with abstentions by Allen and Flathers.

CONSENT ITEMS

Approval of Minutes from May 2023

Motion for approval Hohenstein, second Bradley; roll-call vote passed with one abstention by Foley.

Approval of Minutes from April 2023

April minutes were approved at the May meeting erroneously labeled as May minutes. Motion for approval of April minutes by Noll, second Hohenstein; roll-call vote passed with one abstention by Villalobos.

Approval of May 2023 Monthly Financials

Motion for approval Glass, second Noll; roll-call vote passed with one abstention by Foley.

REPORT OF THE CHAIR

Noll presented Foley's request to excuse his May 2023 Board Meeting absence due to work conflicts. Cassidy is not at today's meeting and asked to be excused as she made a commitment prior to her Board appointment.

Motion for approval of excused absences by Bombard, second Hohenstein; roll-call vote passed with one abstention by Foley.

The finance committee did not meet so Noll said there is nothing to report.

Conduct Outreach—Noll had meetings with legal counsel, John Lambeth of CIVITAS to discuss the conduct and possible suspension of a member. He reported that any code of conduct will be Board policy and not an addition to the bylaws. Next year it may be wise to find an effective way to equitably address this issue and hopefully avoid future problems. The lawyer advised, due to the structure of CITA, all members are required to vote on bylaws changes. The attorney is drafting a code of conduct document that will cite the State statutes and acknowledge them. This should be sent to the membership as a Board policy. Hohenstein wished to clarify that all members will receive notice of Board policy for Board Members to behave in the proper manner. Noll agreed with her statement adding the member apologized for the incident. Hohenstein thanked Noll as these meetings required several hours of his time over the past few weeks.

The owner of the Hotel St. Lauren was sent a certified letter after discussion at last month's meeting. Luttjohann held a cordial meeting with the owner but does not feel it changed anything significantly. The St. Lauren website states it is down for maintenance and it will remain that way according to the owner as they have concerns over ADA requirements. The owner confessed he is bad at emails but answering their phones will be better when staff is present. There has been a lack of staff but they will try to answer phones more often. Their discussion included the Expedia refund policy which is not ideal and the owner can't change Expedia. Luttjohann relayed, much change should not be expected. Noll said the business will be given another chance. Glass was sympathetic as emails are often too numerous to keep up with and customers complain when the phone isn't answered, yet often employees are on another line assisting a different customer.

REPORT OF THE PRESIDENT

Luttjohann submitted his written report included in the Board packet. Discussion on SB584 included the fact that it proposes to add 15% to short-term rentals, with funds earmarked for worker housing. It is unknown how monies will be disbursed. Luttjohann thinks CITA must be neutral on the measure. Glass advised that this measure would raise the Avalon TOT total to an insane 27%. Luttjohann said that workforce housing is critical but many are skeptical on the amount trickling down to Avalon believing it would be less than the 15% collected by Island businesses. Noll stated that AirBnB is a contributing factor and California wants their percentage of that revenue. Hohenstein said to let CalTravel, Visit California and other larger organizations do the fight and believes CITA should watch and wait. Bradley urged others to voice their opinion as individuals but not as a Board Member. Maistros said CalCities is confident that it will not move forward as written.

Luttjohann participated at CalTravel's legislative day and met with legislators and their staff. Infrastructure was an issue raised and representatives seem to be watching out for Catalina Island.

Luttjohann shared that occupancy rate is down below all other comparable destinations. Avalon Harbor Dept reported this May was the coldest since 1997. CITA marketing is generally turned off in June for the summer but plans are to reinstate. Hohenstein said that Europe travel is up, the dollar is strong, and travel there was not possible during Covid and its aftereffects, the airports are busy but Californians are going away! She added that mainland coastal hotels in her organization are also down. Bombard agrees, weather contributed to Catalina Express numbers being down and the company hasn't seen weather like this in decades. Luttjohann relayed that reports say travelers are waiting for rates to drop. Hohenstein believes hotel rates should return to 2019 costs, they are down for now but not for July and August. Glass is glad he didn't raise rates last year and his customers are happy and planning visits to the island. Villalobos said IEX year-to-date numbers are the same as 2019; dollars are up but volume is down with revenue equal. Bombard said that Catalina Express is using 2019 as the comparison year; 2022 was amazing but not realistic. Wright reported her catering business is down but her restaurants are not as they are not truly affected by overnight visits.

DISCUSSION AND POSSIBLE ACTION ITEMS

Visitor & Member Services—Hohenstein presented new member applications for Campus by the Sea and Vintage Vessel Voyages.

Motion by Hohenstein to approve, second Glass. Passed with a roll-call vote, all ayes.

Marketing Report—Miller asked Board Members to read the Thursday Update as it includes the latest information each week. Press releases have reached media for What's New for Summer and June's Pride Celebration; 26 pieces of coverage in May reached a combined audience of 664 million with 5.6 million online views. Miller attended the NATJA conference in Alaska and made 20+ new travel media contacts who have never been to Catalina Island; three are expected to visit in fall or winter and two travel writers won trips to the island, awarded at the conference. She feels it was a successful event. The 2023 map is printed and expected on the island next week. The spring campaign concluded May 30 and performed above the industry average. Lodging properties report overnight stays are considerably down so marketing efforts may include a summer campaign for a portion of June and later in August.

Events Report—DeMyer announced that 22 restaurants participated in Taste around Avalon on June 1; winners are listed in the Thursday Update. The Mixer tonight is hosted by Catalina Jet Ski Rentals and Catalina Coastal Tours & Fishing/Catalina Xtreme Parasail, 6-8pm. June 24 is Catalina Pride with a full day of music and DJs. DeMyer is actively seeking sponsors for the July 4th celebrations. She is also soliciting for raffle prizes as part of the Summer Concert Series. July 20 is the annual Installation Dinner at Flx Biergarten, more details to come. New Year's Eve 50th year sales opened strong with a bumped-up menu and plans for take-away gifts.

BOARD MEMBER UPDATES

Noll announced that Catalina Island Fitness will open Monday to the public and Leo's is offering a promo of free child vitamins. He thanked all as this is his last meeting as chair.

Luttjohann passed around a COA proclamation for Pride awarded to Love Catalina. He thanked Ponce for the wording and urged those in attendance to notice the new flag hung at Wrigley Stage for Pride month.

Bombard said that Catalina Express is awaiting the PUC determination on the fuel surcharge; vote is today.

Hohenstein thanked all that came to last month's Mixer at Catalina Canyon Hotel and saw the new rooms. Next Monday her organization launches a new booking engine that will display the 'proud member of Love Catalina' logo.

Foley announced that next Wednesday, 6-8pm a mortgage and private wealth seminar sponsored by US Bank will be held at The Beach House in the Metropole Marketplace.

Paret reminded that August 5 is Catalinaville and tables are up for sale. There is a newly recruited doctor at CIMC specializing in pain management and paperwork is in the works for another physician.

Villalobos said the IEX Cabrillo Mole office is reopening and is in need of staff who will receive commission. There is availability for their Father's Day promo and the Queen Mary Festival daytrip. The fleet of helicopters is being replaced with quieter and more environmentally friendly models.

Allen reported that Two Harbors has fireworks on July 3 and that July 8 is their Wine Festival.

Flathers announced the Food Tour did a test run and will do another prior to reinstating this popular tour with hopes to be offering it in two weeks.

Wright stated there is a name change for the Cantina. The Airport-in-the-Sky Restaurant hosted a 200-person wedding last month and beginning July 3 the BBQ will be daily.

Kielpinski said the restaurant at the Conservancy Trailhead will open June 14 as Topside by NDMK, offering breakfast, lunch, and dinner.

Villalobos asked about the visitor numbers and working with 62Above on additional marketing. Luttjohann requested an estimate from 62Above but feels using the Spring Campaign will work along with keeping the paid digital going through the summer. Miller added it is quick to turn on the Spring Campaign and then when busy in July vendors will wish to pull the offer. Hohenstein is willing to offer three nights for the price of two beginning mid-August to kick off the slower time. Bombard requested to be told when the campaign is turned back on. Luttjohann said CITA would pay 62Above to refresh the campaign.

ADJOURNMENT

There being no further business to come before the Board, Chair Noll adjourned the meeting at 2:22pm.