



Meeting Minutes

Visit Morro Bay Board of Directors

Visit Morro Bay Board of Directors Meeting Minutes

Thursday, July 28, 2022

9:00 am – 11:00 am

Virtual via Zoom

<https://us02web.zoom.us/j/89792541583?pwd=bHF1K2ZnNFNiTk9SWVZobUZTNnBXQT09>

Meeting ID: 897 9254 1583 Passcode: 695525

Call-In Phone Number: 1(669)900-6833

1. **CALL TO ORDER** Board Chair Amish Patel called the meeting to order at 9:01 am.

PRESENT (VIA VIDEO CONFERENCE) Amish Patel, Robert Elzer, Christopher Kostecka, and Scott Collins, Steven Allen, Amit Patel, and Dane Jacobs.

ABSENT: None

STAFF PRESENT: Michael Wambolt, Elizabeth Gilson

PUBLIC PRESENT: Eric Crawford Morro Bay Chamber of Commerce President, Theresa Nagai Visit SLO CAL, THE ABBI Agency staff Ty Whitaker, Warren Phan, Liz Bowling, Casandra Taloma, Julian Talent, Zack, and Angela Rudolph

2. **PUBLIC COMMENT (On Non-Agenda Items) None**

ANNOUNCEMENTS	M. Wambolt
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President Amish Patel introduced new Board members Dane Jacobs and Amit Patel. Each board member said a few words of introduction.

EXECUTIVE DIRECTOR REPORT	M. Wambolt
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3. **Executive Director Report (30 min)**

Staff will provide an updated on current projects, reporting and areas of focus for the months ahead

Events

Michael Wambolt spoke on upcoming Ironman event. He stated that the City Council approved the event, and we will be hosting the third weekend in May for the next 3 yrs. He stated that he is reaching out to bike groups, and outdoor groups as there will be a need or about a thousand volunteers and that he is working on putting together a local committee in the coming weeks. He has spoken to Samantha Pruitt that used to run the SLO Marathon and is now the liaison in the city of LaQuinta for Ironman and will be a great resource for us. With the direction of the board, Visit Morro Bay will be providing sponsorship for the host agreement which will run Thirty thousand for the first two years and twenty thousand for the third year. He then spoke about the Avocado Margarita Food and Drink Festival and that

he is excited that it is back as it blends into what our brand is. Chamber President Eric Crawford would be speaking on the event later in the Business items section of the meeting. He stated that a new event that we want to look at is the Maritime Museum Family Fun Day in October and that it would be a good fit with our brand especially since the Harbor Festival that used to be the same time of year is no longer happening. We can build off of this in the future and possibly make it a three-day maritime event that is an ode to what Morro Bay is and its history. He stated that the Lighted Boat Parade will be happening, and we will be looking to sponsor and looking to extend the holiday spirit. The Rotary will be extending the dates of the Santa House to the first three weekends of December, and we will be looking to adding new features such as carolers and we will have a more in-depth conversation in September.

Finances

Moving to finances, Michael stated that currently the operating account is standing at five hundred and fifteen dollars, Three hundred thousand of which is a carryover from the 2019-2020 financial year. There will be an item to move that to the reserve funds. Currently the reserve fund has sixty-three thousand seven hundred and ninety-two dollars. Each month when we receive our funds, we move seven percent into our reserve fund to help us through possible hard times in the future and to sponsor other events or marketing opportunities that may arise.

Branding

Our brand relaunch will be happening in the next week. A press release will go out in conjunction with the August third global press release of the Ironman Race. So Come Get Salty will be out in the world next week. A campaign for that will be launched in conjunction with our fall campaign and you will see a spend for us starting August through fall and into winter this year. We will then have a late winter/spring campaign as well.

Reports

Michael explained the TOT/STR reports to new board members. Michael stated that he is working with Smith travel Research to set up a Zoom call for hoteliers that are looking to participate in early September as we are looking to add hotels. Michael stated that the STR numbers do not include vacation rentals. June, we saw a little slow down but ADR still very strong. The STR report for the county is showing that everybody is experiencing a little bit of a slowdown. In comparison to others, we are seeing less of a slowdown. The monthly STR is showing an increase of REVPAR. If you look at the numbers for 2019 or last year you can see that we are still in a very healthy position. The TOT report for April is off the charts for us so there will be a reassessment of the budget. May TOT incomplete but numbers will come in next week. The reports are lagging 45 days so we are not getting data in a quick fashion so that is why his goal for the next quarter is to get more hotels to sign up on STR so we can get more current week to week data. Michael asked for any questions.

Board member Chris Kostecka stated that he would be interested in participating in the Zoom call

Michael stated that the full current inhouse TOT/STR report could be accessed at the link provided in the agenda.

Strategic Plan

Michael stated that he is very excited that a lot of progress has been made and the final planning session will be at the end of August. Which is perfect timing for our annual meeting in September where we will be able to vote on the strategic plan. Michael thanked everyone for their participation. Once Michael has the draft plan back from Coraggio he will reach out individually to the board members who did not participate to walk through how we got to where we are. As a reminder we survey throughout the industry and community, interviews with high level partners, one on one's with the mayor and city council and we had focus groups. Our final planning group is Amish Patel, Steven Allen, Robert Elzer, Jalpa Patel, and Erica Crawford. With the leadership of the Coraggio group the final group will take all the data collected and glean what is important from it.

Sales

Michael stated that he attended the IPW (International Pow Wow) which is the largest international travel trade show. International travel looks to be back at least seventy percent. Coming out of the show Michael sent out a couple leads Hotel Beds, Bonotel, and ATI. Also, from IPW we had site visits from Audley Travel. On the vacation rental side Michael met with Best Houses in America out of the UK which is an international operator that specializes in vacation rentals. International travel may not be back this year but the sooner we have some of the contracts especially with Hotel Beds

Bonotel, and ATI the sooner our hoteliers are in the funnel for the travel agents booking in the coming years. The booking cycle for international travel is usually November but December, January and February are the big booking months. With bookings three to six months in advance. Visit SLO has a contract with an agency in the UK, so they have boots on the ground for us there and they are looking to do this in Canada and Mexico as well. So, their focus will be the UK, Canada, Mexico, France, and Germany in the next couple of years and we will hitch our wagon to that.

Smith Travel Research (STR)

Michael stated that he will be setting up a Zoom meeting for our hotel partners to inform and educate them about how to participate.

SLO CAL and Visit California

We had a media FAM Pitmaster Chef Hattem Matter from Dubai come in. He was also with Visit California and California Grown. They did a whole section in San Luis Obispo County. They did kayaking had a tour of Grassy Bar oyster farm. They then purchased oysters and did a BBQ picnic in Cayucos. Michael spent time with Hattem and sees him as a great international contact for promotions.

Stakeholder Engagement

Michael stated that we have launched our partner portals and that Hotels and Vacation rentals posted on our websites have access to their accounts and explained what they are able to see, change and add to their morrobay.org website account. We did our mailer to the vacation rentals and received eighty replies back from two hundred. So now we have a direct communication line with a majority of our vacation rentals, and we will do one every year.

Vacation

Michael explained his vacation plans for July 29, 2022, and August 15 -19 and stated that Liz Gilson will be in office. Michael then asked if there were any questions

Board Chair Amish Patel asked Michael to explain how the Portal works.

Michael explained that an email was sent out to all explaining how it could be accessed. He then went over the process of getting on the portal and what they are able to do to update their accounts and access reports.

Board member Dane Jacobs asked if the occupancy numbers would be updated in real time so that he would be able to use the information to staff his business.

Michael stated that no the numbers are rear facing year over year but that he is working on getting that information available to hotels and tourism facing businesses.

CONSENT AGENDA – *motion required*

M. Wambolt

4. Approval of May 26, 2022, Board Meeting Minutes

ACTION: Board member Steven Allen made a motion to approve the meeting minutes from the May 26, 2022, board meeting. Board member Scott Collins seconded the motion.

MOTION: Carried 7:0

BUSINESS ITEMS & DISCUSSIONS

M. Wambolt

5. Margarita Avocado Festival Sponsorship – September 9-11, 2022 - *motion required*

Staff will provide update to the board about the Margarita Avocado Festival sponsorship. Erica Crawford President/CEO from the Chamber of Commerce will give a presentation and answer questions. Board will discuss and potentially approve a sponsorship of \$15,000

Michael stated that we are looking to launch events this year and that we have sponsored events such as the City-Wide Yard Sale, Kite Festival, and Car Show to make sure they happen this year and build upon those and hopefully in the future they can support themselves.

Erica Crawford. Spoke on the Avocado Margarita Food and Drink Festival and the reimagining of the event due to past issues with the previous Avocado Margarita Festival and the fact that it had not happened for two years due to COVID. Erica explained what they did to physically restructure the event and the restructuring of activities and experiences to create a more high end 3-day experience including a Saturday night concert at the rock. Erica then asked if there were any questions.

Board member Steven Allen congratulated Erica on being named the number one food Festival in California by KOGO radio out of San Diego.

Erica then commented on elements of branding and the marketing strategy being used to promote the reimagined Event.

Board member Dane Jacobs asked about the logistics of moving people around and to the Rock for the concert.

Erica stated that she has been in contact with Camille with the Morro Bay trolley, and it will be available during the three-day event.

Board member Steven Allen asked if there was a link to the marketing material for him and others to use to promote the event on their websites and emails.

Erica stated that she will have a drop down on their website to a link to a Google folder that will have the public marketing materials available.

Erica then explained why they are using MY805TIX as they collect data on where attendees are coming from.

Michael stated that our marketing agency ABBI Agency will be contacting Erica to collaborate with her to market the event.

Board Chair Amish Patel asked about the new footprint of the event.

Erica explained the changes and also the reduction of capacity through ticket sales, so the event is not so crowded and more controllable. She also explained the benefits to Visit Morro Bay and that all sponsorship money would be going to marketing and not the infrastructure of the event.

Board members then commented their approval on the changes and rebranding that is being done.

Michael stated that \$15,000 is a large amount but that since the event has been rebranded, we should want to see it be successful for the future.

Board member Dane Jacobs asked if there was a site map and schedule available.

Erica said yes but that it is still in process of being created.

The board discussed.

PUBLIC COMMENT: None

ACTION: Board member Chris Kostecka made a motion to approve the \$15,000 sponsorship to the Chamber of Commerce for the Avocado Margarita Food and Drink Festival. Board member Steven Allen seconded the motion.

MOTION: Carried 7:0

6. Visit Morro Bay Operating Account Funds Transfer (10 min) - *motion required*

Staff will ask for a motion to transfer \$300,000 from operating budget to reserve account. Funds are a carryover from 2019-2020.

Michael explained that the extra funds in the account are roll over from the 2019-2020 fiscal year and the reasons for moving it to the reserve account and the procedures for approval of usage of the funds in the future.

Board member Robert Elzer asked if the account was an interest-bearing account?

Michael stated yes and explained.

PUBLIC COMMENT: None

Board Chair Amish Patel asked if any excess revenue would roll over to the reserve accounts?

Michael stated yes and said that he would explain further during the financial portion of this meeting.

The Board discussed.

ACTION: Board member Chris Kostecka made a motion to approve the transfer the Three hundred thousand dollars from the operating account to the reserve account.

MOTION: Carried 7:0

7. Visit Morro Bay Marketing Update - Abbi Agency (30 min)

The Abbi Agency will provide an update to the board on current marketing efforts and focus on months ahead.

Warren Phan updated the Board on the annual performance from when they onboarded the account. An update on website, social media, public relations and creative. Plus, a look ahead on what ABBI will be doing for 2022-2023. Warren asked if there were any questions.

Board Chair Amish Patel asked if there was a timeline in launching the Get Salty campaign and how long do you anticipate the transition to take?

Warren stated that it would be launched in the next couple of weeks and the transition would happen very quickly And explained the process.

Board member Steven Allen asked how the flow is regarding filtering information on events to The ABBI Agency?

Warren Phan responded that Michael provides them with the information then they get with their team and send the information out through their channels.

Michael asked the Board for a motion to add 10 minutes to the meeting time.

ACTION: Board member Steven Allen motioned to extend the meeting time by 10 minutes. Board member Robert Elzer seconded

MOTION: Carried 7:0

8. Visit Morro Bay Website Update (15 min)

Staff will provide and update to the board about website rebranding and potential overhaul of the website.

Michael stated that we will start our brand refresh and it will cost Fifty-five hundred dollars. Our website is who and what we are and where all of our marketing leads back to. The current website is about 4 to 5 years old. Michael then explained that Simpleview owns our website, and everything has to go through them, He then explained the different levels and costs of updating the website including working with the ABBI Agency to create a new website. Michael stated that we have a two-year contract left with Simpleview and it will cost fifty thousand dollars to buy out if we want to move to WordPress and create a new website. Michael suggested that this next year we should stay with Simpleview as we do our brand refresh but decide what we want to do as it can take up to six months to do the changeover. So, if the change is decided in September, Michael will be happy to get a committee together as he feels a robust conversation needs to happen and we would launch the new website in the spring. Michael wants the board to be

aware that we will be spending the fifty-five hundred dollars to start the brand refresh of the website and have a conversation at the next board meeting on where we want to go with the website.

Board member Chris Kostecka stated from a financial standpoint that it seems we should phase out the contract with Simpleview. He then asked what the down sides would be to doing this.

Michael answered that he did not see any downside it just depends on how happy we are with the refresh. Also, it would be a good idea since it has only been a year with the new marketing agency and even though we are happy with their work so far to wait and take more time to build our confidence in them. Simpleview said the refresh will take three weeks which will give us time to view it before the September meeting so that we are able to make a more informed decision.

Board member Steven Allen agreed with Board member Chris Kostecka's statement that we should try to avoid the termination fee.

Michael agreed and that he would inform the board members when website refresh was done.

9. Visit Morro Bay FY2022-23 Draft Budget Update (15 min)

Staff will provide board with the second-round budget for FY2022-23. Board will discuss and make any recommendations.

Michael stated that not much has change we had budgeted one point one million but will be updating as soon as the 2021-2022 budget is closed out. Michael stated that we have a forty-five-thousand-dollar cushion that can be used for In case anything comes up. Michael suggested moving this money to the marketing realm and doing more digital this fall and spring bolstering the marketing that we are doing. Especially with the new brand we need to spend money and come out of the gates stronger than we ever have. Michael stated that he would be happy to have a side bar conversation with any of the board members that would like to go over the budget in more detail. He then asked if there were any questions.

There were none.

10. Visit Morro Bay Financial Update and Review (10 min)

Staff will provide an update to the current financials of the Visit Morro Bay TBID

Michael went over the 2021- 22 budget and where the numbers are landing. Michael stated that there will be close to a three hundred-thousand-dollar rollover and that he would reach out and have a conversation with each of the board members. Michael recommends that we should rollover fifty to a hundred thousand dollars in the reserve account and should place two hundred thousand in the 2022-2023 budget and look at programs that we want to do through our marketing. Once the strategic plan is done and initiatives from it. We can look at ways to bolster the destination feel with wayfinding, annual holiday decorations, and other programs such as these. Michael wanted to remind board members that we are running forty-five days behind in collection of funds from the city. So, the closeout of the 2021-2022 budget will be final in September. We have our final spend, but we do not have our final revenue numbers. Michael then asked if there were any questions.

Board member Steven Allen asked about how long the lease agreement is with the city for our office space.

Michael stated that the lease is for three years, and the rent is two hundred dollars a month. Michael stated that he has asked the City Manager to have the building painted as it does not look very nice.

Board member Steven Allen then asked Michael if he had any thoughts about a visitors' center.

Michael stated that he has been thinking about it and has had conversations with the city manager. Michael spoke on his idea of having a VW bus that moves around to different locations on the Embarcadero. Also, that we have been working to making our kiosk outside our office more digital friendly with links to our website. Michael stated that we still get requests for our paper visitor guides but that we would like to go more digital, but our clientele likes the physical guide and other brochures. Ultimately Michael would like to see a kiosk with a photo opportunity, digital,

paper guides and brochures, staffed with volunteers down on the Embarcadero.

The board discussed.

Michael asked if there were any more questions. Seeing none Michael thanked the new and current board members

Board Chair Amish Patel asked if there were any future agenda items the board would like to discuss.

Board member Steven Allen wanted to discuss getting more electric vehicle charging stations in Morro Bay.

11. Next Board of Directors meeting – September 22, 2022 – 9:00am – 11:00am – Via Zoom

ADJOURN. Board President Amish Patel adjourned the meeting at 11:11 am.

Brown Act Notice: Each speaker is limited to two minutes of public comment for items not on the agenda. Public comment for each agenda item will be called for separately and is also limited to 2 minutes per speaker. State law does not allow the Board of Directors to discuss or take action on issues not on the agenda, except that member of the Board may briefly respond to statements made or questions posed by the person giving public comment. Staff may be directed by the Board to follow-up on such items and/or place them on the next Board agenda. The order of agenda items is listed for reference and items may be taken in any order deemed appropriate by the Board.

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