



Minutes

Visit Morro Bay Board of Directors

Visit Morro Bay Board of Directors Agenda

Thursday, March 24, 2022

9:00 am – 11:00 am

Virtual via Zoom

<https://us02web.zoom.us/j/83572784421?pwd=UXNmK3NzT3BxSzNVa1dQcDB5M0k4Zz09>

Meeting ID: 835 7278 4421 Passcode: 634919

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

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

PRESENT (VIA VIDEO CONFERENCE) Amish Patel, Joan Solu, and Robert Elzer, Val Seymour, Christopher Kostecka, and Scott Collins, Steven Allen Joined the meeting at 9:09 am.

ABSENT: None

STAFF PRESENT: Michael Wambolt, Elizabeth Gilson

PUBLIC PRESENT: Jen Ford, Sara Maggelet, Visit SLO CAL staff member Catherine Cropp, and THE ABBI Agency staff Ty Whitaker, Warren Phan, Liz Bowling, Caroline Sexton, Julian Talent, Zack , and Angela Rudolph

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

ANNOUNCEMENTS	M. Wambolt
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None

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

Michael Wambolt spoke on upcoming events and past events, the SLO OPEN and what a good event it was. Still getting control of kite festival website login, City Wide Yard Sale fliers going out getting great attention already from Central Valley.

Gave branding update, Logo subcommittee working on Logo and should have version 3 back Friday March 25th. Visit Morro Bay Brand guidelines will be finished in April and from that time forward we will retire “Put Life on Coast” And the old logo and move forward with the Come get Salty brand with board approval. Will want d meeting in April to discuss it

Spoke on STR & TOT reporting. We are still seeing a healthy increase in February and March. Monthly STR for February booking up 10% from 2021 with an increase of 20% in room rate. For TOT Board asked to add vacation rental and Trailer park numbers. January is running softer than 2020 which was biggest year right before COVID hit but revenue numbers are still up and looking healthy will report on February at next meeting. Let Board know that link to STR and TOT numbers in the agenda packet in a link to the live report if they are interested in looking at it.

We are well on our way with the strategic plan. We finished focus groups in February and are now on to our final planning group that will distill down all the information. The planning group consists of Amish Patel, Steve Allen, Robert Elzer, Jalpa Patel, and Erica Crawford from the business section. During four sessions that will last two to three hours, they will develop our mission statement and our initiative for our four-year strategic plan. Once that framework is done, We will them bring to board. Michael will meet with board members individually as process is going along so that at the end, we are not off base. The goal is to finish by May so that any potential need for additions to the 2022-23 budget can be added before budget is due in June. Michael asked if there were any questions. There were none

Board Member Steven Allen asked to circle back to STR numbers and commented that the rates are bumping nicely and the perfect opportunity for lower price hotels to raise rates.

Michael Wambolt commented that he does outreach on a weekly basis and goes to two or three properties. He stated that we are undervalued for the destination and that is the talking point. As we are seeing a leveling off occupancy there is still the ability to make rate. And make the same amount of money doing less work. This is the perfect opportunity to find our rate ceiling and bring in better customer service. Hopefully, this will be a multiplier effect when our new brand and marketing goes live. Interested to see how this next spring goes.

Board Member Joan Solu stated that there is a lot of remodeling going on which will make a huge impact. Also, some of the hotels are getting rid of their franchise flags not having the flag will allow them to customize their service which will allow them to raise their rates as well.

Michael Wambolt agreed, there are some exciting things coming up.

Michael Wambolt stated that in the near future he would be partnering with STR research to do a ZOOM hotel partner outreach in May to get more hotels reporting. Then ultimately in the Fall educational session yield and revenue management for all properties.

Michael Wambolt stated that for tour travel working leads from GoWest Summit that were provided by Visit SLO Contacted Hotel Beds and wants to get some of our properties can go online with them. Smurf Group to get lists of car clubs and cycling groups to fill shoulder periods. Received exciting news from Visit SLO CAL working closely with County Film commission and with Kirk & Charlee from the City Recreation Department, Morro Bay has been chosen for the 2022 location guide for Film Fest and will be sent to 7,000 film scouts throughout California and the United States . This is a very big win for us. On March 25th will be going to the UK sales mission. Will be attending IPW trade show in Orlando Florida representing Morro Bay.

Michael Wambolt stated that in regard to stakeholder engagement, he received a lot of good feedback from the February industry event at the Inn at Morro Bay. Where he was able to announce the morrobay.org extranet partner portal. We are also doing a vacation rental mailer to collect current information so that we can get them set up on the partner portal and will do one yearly moving forward.

Board discussed best way to collect vacation rental contact information from City.

CONSENT AGENDA – *motion required*

M. Wambolt

4. **Approval of January 26, 2022 Special Board Meeting Minutes (5 mins)**
5. **Approval of January 27, 2022 Board Meeting Minutes**

ACTION: Moved by board member Joan Solu and seconded by board member Steven Allen to approve meeting minutes for both meetings

MOTION: Carried 7:0

PUBLIC COMMENT: None

Board member Steven Allen asked board member Scott Collins acting as City Manager, if Covid is still a factor for the business community? Are there any closures or are we wide open for spring break?

Board member Scott Collins responded that the City follows the County that follows State guidelines and that there were a few industries where you have to wear a mask but that it wouldn't affect any tourism activities or festivals or events. But that there is a variant that is said to be more contagious than the last that is making its way around California.

Board member Steven Allen asked board member Scott Collins acting as City Manager, How is the community sentiment about tourism now?

Board member Scott Collins responded that they are concerned about development and water more than tourism but that it is seasonal and ask again in July.

Board member Steven Allen asked board member Scott Collins acting as City Manager, Speaking as a hotelier, what are the restrictions on water right now?

Board member Scott Collins acting as City Manager responded that he did not want to answer on the fly and would send something out to the group and that maybe Michael could send the information out in the newsletter. The state is rolling back what it is going to allocate but it will not affect us because we have a drought buffer secured in the reservoir near San Jose.

Board president Amish Patel stated that last week a couple of representatives from the utilities department came by the hotels to distribute a paper regarding water conservation requirements.

BUSINESS ITEMS & DISCUSSIONS

M. Wambolt

6. Visit Morro Bay Secretary (15 min) – *motion required*

Visit Morro Bay secretary position is currently vacant due to Sarah Maggette vacating her board seat. Board will make recommendation for secretary of Visit Morro Bay and motion to approve.

Michael Wambolt stated that the nominee would need to be a lodging partner.

Board member Robert Elzer stated that he would be happy to serve if no one else was interested.

ACTION: Moved by board member Joan Solu and seconded by board member Steven Allen to approve board member Robert Elzer as new Board Secretary.

MOTION: Carried 7:0

PUBLIC COMMENT: None

7. Morro Bay Car Show Sponsorship – May 6-9, 2022 (10 min) – *motion required*

Staff will provide an update to the board about the Morro Bay Car Show and sponsorship. Board will discuss and potentially approve a sponsorship of \$4,000

Michael Wambolt stated that there has been a fee schedule change for the Car Show and so some of the promotion dollars are not where they need to be and that supporting the Car Show as it is being relaunched is a great opportunity for us and the perfect time frame that window between Spring break and Summer. More they promote it and the more we promote it the more stakeholders can drive rates and the more revenue that the City makes.

Board discussed

ACTION: Moved by board member Steven Allen to approve the \$4,000 sponsorship for the Car Show. Board member Chris KostECKa seconded

MOTION: Carried 6:1

PUBLIC COMMENT: None

8. Live Oak Music Festival Sponsorship – June 17-19 (10min) – *motion required*

Staff will provide an update to the board about the Live Oak Music Festival Sponsorship. Sponsorship would include \$3500 that would go to rooms for artists. Board will discuss and make recommendation

Michael Wambolt stated that the festival has reached out to us, and that Sara Maggelet is the liaison. There is a sponsorship that would give promotion areas and marketing on their website for hotel bookings and also have logos and marketing throughout the festival. In the past \$3500 was given. It is happening in summer and that it leans over one of our peak periods. We would have some of the artists staying in Morro Bay. Michael stated that he would like board to discuss and make a recommendation.

Sara Maggelet stated that she was available for any questions. She then gave a quick history. Was in Santa Barbara and was then moved to San Luis Obispo. This would be the second year it is being held in San Luis Obispo. Asking for help with ten rooms for artists.

Board asked questions of Sara Maggelet.

Michael Wambolt stated that along with sponsoring the rooms, for the \$3500 we would receive promotional direct booking links on their website, and branded promotion stuff throughout the festival. It would be a good time with our new brand to publicize it at that point. It should be done by the end of May.

Sara Maggelet stated that they have a really nice flushed out sponsorship program that would provide a lot of impressions of the Visit Morro Bay logo links back to our site we are pretty flexible and that she is the marketing director.

Board member Amish Patel asked if the \$3500 would be going back into Morro Bay for the hotel rooms.

Michael Wambolt stated that it would go back into Morro Bay.

Board discussed

Board member Joan Solu stated that she would like to see an annual budget for supporting events and a plan Around how we would release the funding and guidelines are for that funding.

Sara Maggelet was wondering if there was any place for an in-kind donation.

Board discussed.

Michael Wambolt stated that it would be a great opportunity to get our new brand out in the time frame and that the sponsorship would be a one-time thing. It is in our backyard without direct impact. We can do some marketing and get some data coming out of the event that would so that we could make a more in-depth decision as they build back up in the coming years.

Board discussed

PUBLIC COMMENT: None

ACTION: Moved by board member Robert Elzer and seconded by board member Val Seymour to approve the \$3500 sponsorship.

MOTION: Failed 5:2

Board member Joan Solu stated that Sara should be encouraged to come back next year.

9. Visit Morro Bay – Ironman 70.2 Update (10 min)

Staff will provide and update to the Ironman 70.2 Triathlon Race. Staff is looking for next steps from the board of directors.

Michael Wambolt stated Morro Bay was approached by Iron Man Group in the last two months to hold a race. Two weeks ago, Iron Man Group was in town to discuss with Visit Morro Bay Visit SLO CAL and the City. The time frame for event is Spring of 2023. The time frame will be worked work with time frame to not impact Spring Break. The attendees for the event would be between 2,500 and 3,000 participants during the course of 3 days. A major concern would be how to park everyone. The early estimates for sponsorship would be thirty to fifty thousand dollars per year and Iron Man would be looking to have a three-year contract with us. It would be an all-in town event. The swim would start at Coleman Park and end at Tidelands Park. They would then transfer to bikes up Hwy 1 Then turn around at Harmony and then come back to Tidelands and then do run that would go out to Los Osos and then finish in Morro Bay. The race has seen an economic impact of eight million dollars over a weekend. The hotel room nights alone could make a three hundred-thousand-dollar impact. They will not be bringing in any food or drink vendors so the impact for retail and food and beverage would be huge. This event coincides with who and what we are as an outdoor destination. Participants are college educated making \$250,000 a year. This sponsorship would go into the 2022-2023 budget. There is no motion required at this time would just like the board to discuss.

The Board discussed.

Board member Steven Allen asked if there was any TV coverage.

Michael Wambolt stated that yes there would be but that it would be more regional and limited coverage.

The Board continued to discuss.

The Board concluded that it was a big spend but that it would be worth it.

Michael Wambolt stated that we will carry over somewhere around eight hundred thousand dollars from 2021 so we could say we have the finances moving forward. We will have the reserve funds of around six hundred thousand dollars. So, we can say we could afford this event and it would not affect our annual budget.

Board member Chris Kostecka asked if we could partner with Visit SLO CAL.

Michael Wambolt stated that he would check with Chuck Davison but that Mr. Davison
Board member Val Seymour stated her concern over where participants and visitors would park.

Michael Wambolt stated that there were many possibilities discussed and that the promoters of the race are well aware that they are doing a parking event with a race. There is still a lot of logistical work to do.

Board member Scott Collins speaking as City Manager stated that they would bring in their event coordinator from Santa Cruz Half Iron Man and he had worked with the gentleman when Mr. Collins worked for the City of Santa Cruz and is very confident that he will do a good job with logistics. And that he knows there would need to be outside support for security possibly from San Luis Obispo. It will be a positive impact on the community.

Board continued to discuss.

Michael Wambolt stated that it looked like there was great interest in the event and will move forward with the next steps.

10. Visit Morro Bay Marketing Update - Abbi Agency (20 min)

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

Warren Phan gave a presentation on their efforts from last month's immersion trip. He showed a video that they are in the process of creating. He was very happy to see all the content that their team was able to acquire. They are in the midst of pushing the Kite Festival. They are taking a digital approach to targeting drive markets within the area to increase length of stays.

Caroline Sexton gave an update on the morrobay.org website activity.

Julian Talent spoke on paid media, SEM, CTR, and google display.

Angela Rudolph spoke on social media campaign and engagement activity.

Dani Hannah spoke on the public relations overview. Liz Bowling also commented on efforts to reach families for spring break/summer vacation

Board president Amish Patel stated that it was getting close to the end of meeting time.

ACTION: Moved by board president Amish Patel to extend the meeting by ten minutes. Board member Steven Allen seconded.

MOTION: Carried 7:0

Board member Chris Kostecka asked if there was an opportunity for stakeholders to use videos and images from ABBI immersion trip?

Warren Phan said yes.

Michael Wambolt commented that A list photos will be for Visit Morro Bay use but that B-list images would be available for stakeholder use and that the images would be put on the Partner Portal like a WEBDAM and would also be available for Media and Travel Trade groups.

Board member Joan Solu thanked the ABBI group for using a wide variety of ages and diversity of visitors in images and asked question. When You said engagement increased by 76,000 is that from previous month or year on year for same month?

Angela Rudolf engagements increased 288% compared to January. We were looking at metric in January compared to February. We wanted to compare with last February, but we are not able to access that data. But you would expect to gain more followers over time.

11. Visit Morro Bay Financial Update and Review (15 min)

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

Michael Wambolt stated that we are still running in the black. We have \$300,000 left over in the reserve that we can move over into reserve. Some will be used for a brand launch and will use some of these funds. Currently there is \$300,000 in our operating account that includes the \$300,000 from the year prior. There is \$350,000 in the reserve account. We will be left over with money, but we didn't spend a lot at the beginning of the fiscal year. Budget cycle for 2022-23 will start. Scott and I will meet to start the budget process for 2022-23. Looking to have that done by the next board meeting in May. The budget will include the event line item that board member Joan Solu asked for. Abbi is putting together the marketing plan as well. Expenditures that we won't have next year are the Strategic Plan which was about 60,000 total and the large-scale co-op for assets that was done with Visit SLO CAL that was \$50,000. Which ABBI is using for some their marketing efforts. If the budget stays the way it is looking, and the industry stays the same. Our budget will be about one point one million dollars next year.

Board member Joan Solu asked if Michael would continue to have a CO-OP line in the budget?

Michael said yes. That there will always be a co-op line and we will always look to maximize our dollars leveling up with Visit SLO CAL.

Board member Joan Solu asked, Do we have a financial policy regarding our reserve account? And that it would lead to transparency that we need and that the City, and hoteliers would appreciate it.

Michael responded that there is not one currently and that he is working with the city of SLO and Visit SL OCAL and that he didn't want to move anything around until he has a policy in place.

Michael stated in a side note that Hearst Castle is reopening ay 11th and Tour reservations begin March 31st and we will be pushing that information out to our lodging partners.

12. Declaration of Future Agenda Items –

- Chris Kostecka would like to discuss in person or Zoom meetings moving forward.
- Michael would like to go over Fiscal 2022-23 schedule
- Val Seymour would like to discuss use of Tourism reserve funds to assist with infrastructure repairs.
- Michael will have events sponsorship guidelines to discuss

13. Next Board of Directors meeting – May 26, 2022 – 9:00am – 11:00am – Via Zoom

ADJOURN. Meeting Adjourned 11:14 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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