



Agenda

Visit Morro Bay Board of Directors Visit Morro Bay Board of Directors Agenda

Thursday, March 23, 2023

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

CALL TO ORDER: Board President Amish Patel called the meeting to order at 9:05 am

PRESENT: (VIA VIDEO CONFERENCE) Board members - Amish Patel, Robert Elzer, Amit Patel, Dane Jacobs, Steven Allen, Sara Johnson Rios, and Chris Kostecka

STAFF PRESENT: Michael Wambolt, Elizabeth Gilson

PUBLIC PRESENT: Laura Miller, David Chastain, Chelsea Edwards, Treyvor Lynch, Tyler Hoit, Ally Stemen, Hayley Walter, Allegra Demerjian, Shaun Farmer

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

ANNOUNCEMENTS - None	M. Wambolt
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EXECUTIVE DIRECTOR REPORT	M. Wambolt
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2. Executive Director Report (15 min)

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

Branding - Michael stated that the new Billboard is up on Hwy 1 north into Morro Bay and people that he has talked to love it. The VW Bus is in town and a work in progress. Michael commented that the bus is an Instagramable moment and will possibly be used as a mobile visitor center.

Events – Michael stated that the City-Wide Yard Sale is the upcoming weekend of March 24th – 26th. There are 190 sellers signed up and the Morro Bay Active Seniors are hosting a sale at the Community Center and will be a map/list distribution hub. Also, Liz will be providing each hotel with a QR code document that guests can use to download the yard sale map/list.

Kite Festival – Michael stated that branding has been approved. Shaun Farmer will be joining the meeting later for sponsorship approval.

Ironman – Michael stated that he has been working closely with the City and it has been exciting to see the City Departments coming together. Ironman is sold out with 2300 athletes.

Finances - Michael went over operating account numbers, reserve account numbers and carry over from last year

Marketing - Michael stated that he had been on the road for three weeks, February 21 -24 Michael went with Visit SLO CAL to Dallas for a media mission where he met with 14 different PR personalities from print advertising to Freelance Journalists.

Reports - Michael stated that the STR has been flat mostly due to the bad weather. Occupancy was down slightly but rates dropped. Michael commented on rate integrity and that the rates should not have dropped. The STR is pacing higher than 2020 and are expecting our spring numbers this year to be down. Michael stated that only 5 properties are on the STR report and is working to get more properties involved so that we can make decisions quicker. TOT reporting is from the city and is lagging a month and a half behind when we have to make decisions.

Sales - Michael stated that he had gone to the Go West Summit which was held in Alaska February 26 – March 2. He had 40 appointments and what stood out were the international tour companies that pre COVID were strong are just now building back up. It is expected that booking should build back up in the next year and a half to two years but if we are not in front of this year we could miss out on bookings.

Michael stated that he has been working with our bird watching group and reaching out to other bird watching groups to have them come and bring smaller groups. And now that we have the VW Bus Michael has been reaching out to VW Clubs of California to bring groups here.

SLO CAL - Michael stated that Welcome SLO Cal has been launched and that Michelle from SLO CAL Welcome would be at the coming week's meeting to present the free program.

Stakeholder Engagement – Michael stated that he has reached out to partners and they are telling him a different story that the STR report is showing and that there is an informational gap for us that we need to close so that we can help the city at large.

Visit California – Michael stated that he was up in Sacramento at the Outlook Forum Visit California's annual summit With educational sessions that give a forecast for the future. Michael stated that he found interesting the forecast that they gave on the economic side was that they do not see a recession coming to California lodging. This was before the collapse of the banks in Silicon Valley so Michael is watching closely what that is going to do to the economy and the future of what we are trying to accomplish here.

Michael stated that the replica of the Tallship San Salvador is coming to Morro Bay August 10th – 21st. There will be more information to come.

CONSENT AGENDA – *motion required*

M. Wambolt

Board President Amish Patel asked if there was anyone that would like to make a motion to approve the board meeting minutes of both Board meetings.

3. **Approval of January 26, 2023, Board Meeting Minutes**
4. **Approval of February 6, 2023, Special Board Meeting Minutes**

PUBLIC COMMENT: None

ACTION: Board member Steven Allen made a motion to approve both Board meeting minutes. Board member Chris KostECKA seconded the motion

MOTION: Carried 7:0

BUSINESS ITEMS & DISCUSSIONS

M. Wambolt

5. **Introduction of Sarah Johnson-Rios, City of Morro's Appointed Board Seat Member – (5min)**
Staff will introduce the new City of Morro Bay appointed seat member, Sarah Johnson-Rios, Assistant City Manager

Michael introduced Sara and explained the city representative seat on the board and that it was not an elected seat, why she was picked to replace Scott Collins at this time, and spoke on her background.

Sara then gave an update on the City Manager recruitment and commented on a survey that is on the City of Morro Bay website that is asking the public to provide information on what they would like to see in the next City Manager and encouraged everyone to participate. She stated that she was glad to be a part of the board and happy to be able to continue the continuity while the City is looking for the next City Manager.

6. Digital Retargeting Campaign Spring and Summer – (20min) – *motion required*

Staff will provide an opportunity to run a large-scale digital retargeting campaign through The Abbi Agency. Staff is seeking approval of up to \$200,000 in funds from the carry over funds from 2022.

Michael explained the reasoning and background behind requesting the funds for the large-scale digital retargeting campaign and that he had met with David Chastain and Chelsea Edwards of Epsilon a few times. Michael stated that he was looking for the ability to find the people who visit us and then get in front of them again to encourage them to revisit without having to spend hundreds of thousands of dollars. Michael stated that he was pretty excited about what Epsilon is able to do and what the ABBI Agency has been able to do with our branding and our creative side. He then stated that it is a two-phase approach to this. The first one hundred thousand would be a digital ad buy in mid-April running about three months or so and then at the beginning of summer in June. Michael then passed the presentation over to Hailey Walter of the ABBI Agency.

Hailey Walter then presented the digital retargeting campaign opportunity partnering with Epsilon. She then passed the presentation on to Allegra from the ABBI Agency and David Chastain from Epsilon.

Allegra spoke on the partnering with Epsilon, their background, and what they are able to offer.

David presented more details on how what Epsilon works and the information that their technology can provide.

Allegra then spoke about how they would be targeting visitors who have previously come to Morro Bay and other coastal destinations within San Luis Obispo county especially between January of 2021 and October 2022. So that we can leverage the higher volume we had during the pandemic and reengage them.

David then spoke on the specifics of data & metrics collected.

Allegra then spoke on the timeline of the campaign.

Michael then asked if there were any questions from the Board.

Board member Steven Allen asked if the marketing campaigns can be targeted by the financial ability of the consumer. He also had a challenge in that the majority of visitors that visited during COVID did not get the full experience of Morro Bay. What does marketing look like to get them to return.

David stated that there is the capability to see the financial ability of visitors.

Allegra commented on what marketing ABBI is doing to bring in return visitors.

Michael spoke of his excitement on the reporting side of what Epsilon can offer. How we can come out strong for our partners.

The Board discussed.

Michael stated that we are thirty to forty percent of the economic impact for the City of Morro Bay. When we see things like this and have the ability to turn it on, it is part of our contract with the city to drive this revenue due to lodging strength and ultimately our destination strength.

Board member Steven Allen asked if we are looking for a motion for this.

Michael stated that we are approval of 200,000 of a two-phase approach starting in April and then June before the end of the fiscal year. One hundred thousand in April and one hundred thousand in June. Since we are off for the first quarter, this will help buffer and build demand and maximize in the summer. We usually don't market during the summer so this will be a great test to see what it will do for us. Building demand and creating awareness is our job and getting ahead of the booking cycle gives us the leverage for this part of the year.

Board member Amit Patel asked what campaign are we going to do for April is that for summer and then what are we going to do in summer going into winter?

Michael stated that this will work for us. We are always doing digital ad buying depending on where it is going is a question for us and having Epsilon data if this goes well, and we get reporting, and it works out it will go into our annual marketing strategy.

PUBLIC COMMENT: None

ACTION: Board member Chris Kostecka motion to approve the spending of two hundred thousand dollars from our carryover funds from 2022. One hundred thousand dollars to be invested in roughly April and one hundred thousand dollars in roughly June for digital retargeting campaign for spring and summer of this year. Board President Amish Patel seconded the motion.

MOTION: 7:0

7. Visit Morro Bay Marketing Update - Abbi Agency - (15min)

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

Hayley of the Abbi Agency staff gave an update on marketing efforts for February focusing our new brand and social media. She stated that there was growth in engagement. She went over top performing Facebook posts. The posts were mostly wildlife and information on events such as the Kite Festival. PR efforts 4 media placements that were national and one was indirect. Hayley stated that they will be working with Margo from the Morro Bay Oyster co. for Women's History month. She also stated that they had been working on the Kite Festival with paid media assets and a new updated website.

Board member Chris Kostecka stated that he and his circle of friends and associated are tired of all the rain and he would like to see spring ads be as sunny and cheerful as possible and then in the summer go back to cloudy & cool

Hayley stated that that could be done.

Board president Amish Patel asked if they use any banner type advertising on websites?

Hayley said yes and explained what they do.

8. Morro Bay High School Brand Sponsorship Deal 2023 – (15min) – *motion required*

Staff will provide a brand marketing opportunity with the Morro Bay High School Athletic department. Staff will look for approval of \$12,500 in funding. Board of directors to discuss opportunity and give staff next steps.

Michael stated that he had been contacted by the athletic director of Morro Bay High School with a unique opportunity for our branding to be on their wrestling mats and pool wind screen. He said it was interesting because they will bring in 155 wrestling teams from around California for tournaments as well swim meets and other sporting events. This will bring in multiple students with their families traveling with them and it is an opportunity to get our brand in front of them. It will also get the branding in front of our residents as well, which can help them get behind it. Ten thousand dollars would be for wrestling mat used for competitions and for the wind screen it would be twenty-five hundred dollars for a total of twelve thousand five hundred dollars. The branding will last for at least five years and would come from the two hundred-thousand-dollar carryover monies. Michael then introduced Tyler Hoit and will open it up for any board questions.

Board member Chris Kostecka asked if we make a commitment to these funds, are these advertising going to be on the mats and wind screen for five years?

Tyler Hoit from Morro Bay High School Athletic department stated that the timeline is for the pool wind screen as it wears out from the weather but that the wrestling mats last much longer and are then given to Los Osos middle School.

Michael stated that we want to start out on a small scale and then see how it works out for us and then maybe come back in the next replacement cycle and see about expanding our branding.

Tyler stated that he is looking to do this with us and on the wind screens with us and Movement for Life. He also stated that there are locals that swim at the pool from 11 – 2 and they will see the branding as well.

Board President Amish Patel asked if Tyler had any example of logo placement on the mats.

Tyler explained how they would be placed in 3 corners of the map as one corner is used for the judge's table.

The Board discussed

PUBLIC COMMENT: None

ACTION: Board member Amish Patel motioned for the approval of Twelve thousand five hundred dollars for the brand marketing opportunity to place the Morro Bay "Come Get Salty" Logo on tournament wrestling mats and the Pool wind screen. Board member Robert Elzer Seconded the motion.

MOTION: Carried 7:0

9. Ironman 70.3 Race Coverage Media Approval - May 2023- (20min) – *motion required*

Staff will look for approval of \$25,000 in funds to contact Sam Pruitt as a race coverage media for the Ironman 70.3.

Michael stated that we will need some media coverage of the race and that the first year the Ironman group does not do much video coverage but there will be online coverage and social media. Typically, years 2 and 3 is when you get camera crews at the race. Michael said that he was approached by Sam Pruitt who is a long time SLO resident and an She ran the SLO marathon for years and is an athlete herself. She now resides in La Quinta in Palm Desert where she has worked with Ironman on their Indian Wells race. What he is looking to do with Sam is take over social media, asset development such as video and images which Visit Morro Bay would own in perpetuity. The contract with Sam would be for travel expenses and race coverage. On Monday the first day, she will do interviews with Ironman and athletes, on Tuesday Wednesday and Thursday time frame we are working with the Cal Poly EIM program, and she will be interviewing on why having a race of this caliber in SLO County is important to Cal Poly and to the destination itself. On Friday there is a dine around program in Morro Bay where she will go around to different restaurants and interview restaurant owners and go to Hotels and interview owners as well and get the behind-the-scenes excitement of the city of Morro Bay. Then on Saturday she will cover the race from the start to finish. It is important to get the feeling of Morro Bay and also be able to give residents a behind the scenes look at the race and help them see why something like this is important to Morro Bay. We are already seeing that hotels are already or almost sold out and we are already seeing mid-week business come through as well as athletes coming in earlier. Michael opened it up for questions from the board.

Board member Chris Kostecka asked if Sam knows some of the athletes and if the video and assets are owned by us and then passed on to the ABBI Agency for use for years in the future.

Michael stated yes, she does have a list of about 10 athletes, and it has already been coordinated with Ironman that she will have access to interview top tier athletes that are participating in the race and also locals as a Morro Bay police officer and firefighter are participating in the race. Michael then stated that we would own all the assets and can use them for years to come.

Board member Steven Allen asked if Sam has any marketing background so that what she is doing is market ready.

Michael stated that she is a media personality, and this is not the first time she has done something like this. What he likes is that Sam is very familiar with SLO County and Morro Bay. What most people like about Morro Bay is its authenticity and she will deliver that.

Board President Amish Patel asked if Sam would be using her own film and production crews, or would she be working with the ABBI Agency on that?

Michael stated that ABBI Agency does have their own film crew, but they are costly. She knows videographers and photographers in SLO County so the work will be in SLO County, and the ABBI AGENCY will work with Sam.

Hayley from ABBI stated that they would be working along side Sam and her crew to make sure that they get the kind of style and assets they need.

Board President asked if some of the content will be in real time, but most will be used for future races?

Michael stated that it is twofold. So, there will be a real-time person that will take over our social channels during the race and for future use we will have all the video and pictures to use in our marketing campaign in the future.

Board President Amish Patel asked if Ironman will be providing any content from their videographers?

Michael stated yes, we will be getting some secondary content from them, but it is important for us to capture these assets for future use.

PUBLIC COMMENT: None

ACTION: Board member Chris Kostecka motioned to approve the twenty-five thousand dollars to contract Sam Pruitt. Board member Dane Jacobs seconded the motion

MOTION: Carried 7:0

10. SLO CAL Open WSL Surf – Approval to move SLO CAL Open WSL to November 2023 (10 min) - *motion required*
Staff will provide an update on the request to move the SLO CAL Open WSL Surf Contest from February to November.

Michael stated that he was approached after the event this February. Weather has been a huge issue the last two years so the SLO CAL Open WSL surf competition would like to move the event to the third week in November. SLO CAL who is the premier sponsor for this event has approved the date change. They will also be adding a long-board competition. Typically, the event is four days, and this addition would add a fifth, possibly sixth day. He felt that this was a good move for us. Though this doesn't bring in a lot of spectators this is more about brand awareness. This would give us the opportunity during better weather time frame to bring in and also give us positioning to casually move ourselves from a one thousand world surf league to a three thousand which would add a hundred more surfers. This would position us to elevate this competition to the next level. Much like Pismo Beach did last year. There is no cost to us. This is just for the board to approve and move forward. Without an event in February, as you know we have one of the biggest bird watching festivals and that group is looking to bring more wildlife viewing events here. Michael will meet with them next Friday to see what that looks like. They were talking about fall but they may be able to do something in February Or we can search for something else.

The board discussed.

Board President Amish Patel asked since it is stated that it will be in November r of 2023 does that mean that we will be having a competition this year?

Michael stated yes this would be the second one of the calendar year.

Board President Amish Patel stated that the Pismo Beach event went from 1000 to 3000 series this year. Would there be talk about that happening here?

Michael stated that he had talked to Andy about it and what they are leaning on is how it worked in Pismo and that everyone was excited but since this is the second one in the calendar year, they want to see how it goes in November and then possibly move to three thousand next year. He said that Pismo invested more in their sponsorship at the three thousand level so we would be looking at a threefold fourfold increase in our sponsorship. Michael said that they had a festival like atmosphere, but they have the pier. But there is no reason why we couldn't do that at the Rock.

PUBLIC COMMENT: None

ACTION: Board member Dane Jacobs motioned to move the SLO CAL Open WSL Surf competition to November. Board member Chris Kostecka seconded the motion.

MOTION: Carried 7:0

11. Morro Bay Kite Festival Sponsorship – April 2023 (15min) – *motion required*
Staff will provide an update and seek approval of \$10,000 in sponsorship funds for the Morro Bay Kite Festival in April.

Michael stated that earlier in the year the board approved the marketing campaign for the Kite Festival. The Kite Festival like the City-wide yard sale are the only events that Visit Morro Bay really markets and produces directly. Logistically we don't really produce the Kite Festival, we have Shaun Farmer from Beachfront Kites, Surreys and more to do this. Michael then introduced Shaun Farmer. Michael stated that we went through the brand marketing ourselves this is a free event, but we also feel that this is a unique event that is ours. We are not an event company but a sponsorship and promotions company. Shaun has been amazing the last couple of years bringing this event back after COVID. Last year had the same sponsorship amount. This is somewhat unique in that this is a more logistical support we

do the marketing and advertising. So Shaun is the one who produces it. Michael then opened it up for comments from the board and asked Shaun to say hello.

Shaun said thank you.

Michael then asked if there were any questions or comments.

Board member Chris Kostecka asked what the funds would be used for.

Shaun stated the funds will be used to house and feed the kite flyers, get porta potties and trash that the City requires, pay for City permits, and rental of a sound system for announcements and music as some of the flyers have routines to music.

Michael stated that Shaun has added Friday nighttime light up kites, a BBQ and s'mores to extend the stay.

Shaun then stated that there is a tv show called Small Town Big Story that is in the process of getting permits from the City and they want to shoot the whole festival from set up to tear down.

Board member Chris Kostecka asked if Shaun had been in contact with the City to get the permit fees waived.

Shaun stated that he had tried in the past with no results.

Board member Chris Kostecka asked that with the new relationship with the City maybe we could ask again.

Michael stated that the decision comes from the City Manager on down and the permits are a revenue stream for the City but this is a direct impact to the TOT so this is a conversation we can have in the years to come with the new City Manager.

Board President Amish Patel asked Shaun if the kite flyers were the international group

Shaun stated that he was not bringing back the Octopus kites from New Zealand. The flyers are coming from Alaska.

Board President Amish Patel asked if some of the funds were used for travel?

Shaun said no they love what they do. They pay for their own travel and the sponsorship pays for lodging and meals.

PUBLIC COMMENT: None

ACTION: Board member Chris Kostecka motioned to approve the ten-thousand-dollar sponsorship of the Kite Festival. Board member Steven Allen seconded the motion.

MOTION: Carried 7:0

Michael stated that we are running out of time and there is one more thing to cover and requested ten more minutes.

ACTION: Board President Amish Patel motioned to extend the meeting ten minutes. Board member Steven Allen seconded the motion.

MOTION: Carried 7:0

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

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

Michael stated that in the future he is going to move this item to the Consent Agenda. Michael then presented an update on finances and budget numbers. With carryover funds our budget is currently at one point one million but we will need to reassess that. Right now, we are a month behind in getting funds from the City. Looking at numbers we will be down for last November and December and there will be a big impact for the January and February numbers due to the weather, but we were running over earlier last year. So, once we get the number for November through February, we can reassess. But we are in a very good place revenue wise. Even if there is a recession, we have 500,000 in reserve. Michael then asked Sara Johnson Rios speaking as City of Morro Bay Administrative Services Director to speak on funds that are coming to us in the future that is carryover from years past.

Sara stated that she did not have a dollar amount but when the decision was made 2021 to have the TBID move back to the nonprofit Visit Morro Bay there was a preliminary transfer made to so that Visit Morro Bay could get established and that there were still some ongoing costs that were being accrued to the City in 2021-22. The City just got done with their 2021-22-year end close out and audit. So, they will be evaluating minor expenditures and then sending over the remaining balance to Visit Morro Bay. So that will be coming your way in the next month or so. She also apologized for the delay in getting monthly checks to Visit Morro Bay but there have been staffing issues.

Board member Chris Kostecka asked if Sara knew approximately how much funds she is talking about?

Sara said that she didn't want to state any number as she doesn't want it to be incorrect.

The Board discussed.

13. Future Agenda Items. - None

14. Next Board of Directors meeting – May 25, 2023– 9:00am – 11:00am – Via Zoom

ADJOURN. Board President Amish Patel adjourned the meeting at 11:06 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 members 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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