

JOINT POWERS AUTHORITY EXECUTIVE COMMITTEE

Linda Evans, Chair
City of La Quinta

Stan Henry, Vice Chair
City of Cathedral City

Scott Matas
City of Desert Hot Springs

Richard Balocco
City of Indian Wells

Elaine Holmes
City of Indio

Jan Harnik
City of Palm Desert

Geoff Kors
City of Palm Springs

G. Dana Hobart
City of Rancho Mirage

V. Manuel Perez
County of Riverside

Joint Meeting JPA Executive Committee & CVB Board of Directors March 16, 2018 MINUTES

Call to Order – Meeting was called to order at 8:00a.m. by Linda Evans, JPA Chairman and Mayor of the City of La Quinta, in the CVB Boardroom.

JPA ROLL CALL	Present at Meeting	Not Present YTD
CITY OF LA QUINTA Linda Evans, Mayor, Chair Robert Radi, Council Member	X	
CITY OF CATHEDRAL CITY Stan Henry, Mayor, Vice Chair Mark Carnevale, Council Member	X	
CITY OF DESERT HOT SPRINGS Scott Matas, Mayor Yvonne Parks, Council Member		2
CITY OF INDIAN WELLS Richard Balocco, Council Member Ted Mertens, Mayor Pro Tem	X	2
CITY OF INDIO Elaine Holmes, Council Member Lupe Ramos Watson, Council Member		1
CITY OF PALM DESERT Jan Harnik, Council Member Sabby Jonathan, Mayor	X	1
CITY OF PALM SPRINGS Geoff Kors, Council Member Robert Moon, Mayor	X	1
CITY OF RANCHO MIRAGE G. Dana Hobart, Council Member Ted Weill, Council Member	X	2
COUNTY OF RIVERSIDE V. Manuel Perez, Supervisor, 4 th District Steven Hernandez, Chief of Staff		1

CVB Board of Directors Roll Call

Present at Meeting

Tom Tabler, Chairman, J.W. Marriott Desert Springs Resort & Spa	X
Rolf Hoehn, Vice Chairman, Indian Wells Tennis Garden	E
Robert Del Mas, Secretary, Empire Polo Club	X
Aftab Dada, HIBC Treasurer, Hilton Palm Springs Resort	X
Bruce Abney, El Morocco Inn & Spa	X
Rick Axelrod, Coachella Valley Economic Partnership (CVEP)	E
Lorraine Becker, Cabot's Pueblo Museum	E
Sharon Brown-Welty, CSU San Bernardino Palm Desert Campus	X
Tony Bruggemans, Le Vallauris	E
Jamey Canfield, Palm Springs Convention Center	E
Gary Cardiff, Cardiff Limousine & Transportation	X
Jay Chesterton, Fantasy Springs Resort Casino	E
Stephen D'Agostino, Hyatt Regency Indian Wells	X
Tim Ellis, Palm Mountain Resort	X
Jerry Keller, Lulu California Bistro	X
Lance Levitt, Enterprise Rent-A-Car	X
Jay Mainthia, Indio Super 8 Motel	X
Michael McLean, McLean Company Rentals	X
Allen Monroe, The Living Desert	E
Lee Morcus, Kaiser Restaurant Group	E
Tom Nolan, Palm Springs International Airport	X
Brad Poncher, Homewood Suites by Hilton, La Quinta	X
Greg Purdy, Palm Springs Aerial Tramway	X
Christoph Roshardt, Renaissance Indian Wells Resort	X
Tom Scaramellino, Westin Mission Hills Golf Resort & Spa	X
Bob Schneider, Desert Adventures Red Jeep Tours & Events	X
Barb Smith, Access Palm Springs	X
Kelly Steward, The Ritz-Carlton, Rancho Mirage	X
Kari Stout-Smith, Agua Caliente Casino Resort Spa • Spa Resort Casino	E
Doug Watson, Doubletree by Hilton	E
Victor Woo, La Quinta Resort & Club	E
Elie Zod, Renaissance Palm Springs	X

(X = present, E = excused)

Staff/Attorney:

Scott White, President and CEO
 Erica Abarca, Marketing Administrative Assistant
 Andy Cloutier, Director of Human Resources
 Mark Crabb, Vice President of Convention Sales and Services
 Vicki Higgins, Vice President of Destination Development
 Davis Meyer, Partnership Manager
 Jeff Miraglia, Vice President of Brand Development
 Gary Orfield, Director of Travel Industry Sales
 Jill Philbrook, Director of Destination and Partnership Services
 Revae Reynolds, Executive Administrative Assistant
 Bob Thibault, Vice President of Marketing
 Marissa Willman, Digital Content Manager
 Steve Quintanilla, Legal Counsel
 Colin Kirkpatrick, Legal Counsel

Guests:

Sherry Barkas, Desert Sun
 Steven Biller, California Desert Arts Council

PJ Gagajena, City of Indio
Paulina Larson, Palm Springs Life
Emelie Pittendrigh, Red Jeep Tours
Brooke Reynolds, Local Guest
Thomas Soule, City of Palm Desert

Pledge of Allegiance

Evans lead the Pledge of Allegiance.

Confirmation of Agenda

The agenda was accepted with no changes.

Public Comment - None.

Presentation - None.

Approval of Minutes (all vote)

The JPA-CVB Board of Directors Joint Meeting Minutes dated January 26, 2018 (all vote).

The JPA Executive Committee and CVB Board of Directors Joint Meeting Minutes dated January 26, 2018, were approved without changes. The vote was unanimous based on the roll call taken at the beginning of the meeting (Harnik / Abney).

Consent Calendar (JPA Exec Committee Only Votes)

1. Warrants and Demands Dated January 31, 2018
2. Warrants and Demands Dated February 28, 2018

The Consent Calendar was approved unanimously based on the roll call taken at the beginning of the meeting (Harnik / Balocco).

JPA Executive Committee Items

- 3-Minute updates from each JPA member on their city

Chair Evans explained this opportunity for each city to provide its update. She noted the discussion during the CVB Board Retreat this year about the CVB's Destination Development Plan and the economic development needs of the region and how the CVB might be involved. White added that the discussion included the relationship between airline service and business development and whether the CVB might designate money toward that endeavor. White added the CVB is considering funding a study to explore economic development in the Coachella Valley; the CVB could allocate funds in the 2018-2019 budget, without duplicating what the cities are doing. Greg Purdy asked if the chambers of commerce would be involved. Evans responded that the chambers would be one of the stakeholders and noted that there is a lot of activity, but it is not organized or channeled. Harnik noted that Palm Desert has an iHub (small business incubator). She suggested the members of the coalition should include representatives from the education sector and the chambers, etc. Evans noted the success of the CVB's studies in the past. White suggested that the CVB could utilize some of its marketing dollars toward this effort and asked the group if it is consistent with the CVB's mission. D'Agostino said Anaheim did this recently and it was a great use of funds. Comments in the room were supportive of the proposal.

Harnik reported that the ribbon cutting for Hotel Paseo was last week. The City of Palm Desert's First Weekends have been tremendously successful and growing year after year. She reported

that the City is seeing the results of the economic development study they did for the City and El Paseo shopping district. Also, Fashion week is coming up soon.

Moon reported that Air Canada just announced their service Calgary to Palm Springs is starting in October. Uber will be able to pick up passengers at the airport starting Monday. Lyft will submit paperwork for the same. Modernism Week attendance is up 36%. They have seen visitors from all 50 states. Downtown is booming and there are three new women's clothing stores. Attendance at the Palm Springs Art Museum is up 30%. Wednesday, the Planning Commission approved a new Porsche dealership next to BMW in Palm Springs and they will be breaking ground next February. Regarding the Vacation Rental initiative, one council member is recusing and the other four want to keep the right to license vacation rentals because they are a good source of revenue to the city.

Balocco reported that the Indian Wells tennis tournament has been very successful. The potential project on the northwest corner of Miles and 111 is moving along. Modernism Week in Indian Wells was successful.

Carnevale reported that the Coachella Valley Repertory Theater construction is under way at the previous IMAX location, Ace Hardware is opening soon, and crime is down in Cathedral City. He also mentioned the opening of the first section of CV Link.

Evans noted that the recent La Quinta Arts Festival was hindered by wind, but sales were up. The Farmers Market is doing well. The City of La Quinta has a number of events coming up. There is a Tacos and Tequila event and Easter-related festivities. The apartments on Washington Street will be closed and converted to new homes for seniors with disabilities. The city is starting study sessions to address the Highway 111 corridor and the big box stores, converting the large parking lots as the large retail stores close.

CVB Board of Directors Chairman's Report

- Chairman's Committee Update

Tabler reported that the Chairman's Committee met last month. They discussed a grant program that would support projects consistent with the Destination Development Plan. White added that there will be criteria developed to help businesses, organizations and cities identify appropriate projects.

The Tourism Foundation is up and running and they would like to get the Certified Travel Ambassador program off the ground. There was discussion about funding the program and whether CVB board members would contribute or the hotels would pay for their own employees to be certified. Dada commented that he expects hundreds of interested participants and suggested the hoteliers and stakeholders fund the program. Roshardt expressed his support of the suggestion. Keller recommended a newsletter to this group to keep everyone informed.

Tabler also mentioned the importance of the CVB's support of the Cal Travel PAC. Bob Schneider reported that he attended Cal Travel lobbying day: there are 3,000 bills before the legislature and it is important for us to have advocates. Cal Travel is doing a terrific job. Some legislators understand the importance of tourism and some do not. White added that Cal Travel represents tourism in California and they collaborate with chambers and they work with a political lobbying firm. Our PAC generates maybe \$30,000/year, but we need more like \$200,000. CVB board members can provide funds, or we could hold an event here locally. White is on the Government Relations Committee of CalTravel and sees the various bills that are proposed. Some legislators are now calling CalTravel to see what they think. White noted that the CVB will contribute \$5,000 annually, as are other DMOs.

There was discussion about a new title, Board Emeritus, for CVB board members who term out. Emeriti could attend meetings, but not vote. The title could apply to past Chairmen, such as Lee Morcus, so that the seats on the Board can be fully utilized. The motion was passed unanimously based on the roll call taken at the beginning of the meeting (Dada / Levitt).

There was also discussion about rotating the location of this board meeting and expanding the existing CVB board room. The CVB will obtain a few quotes.

CEO/President's Report

- Board Report for March 2018

Convention Sales: Mark Crabb reported that the number of leads is up 11% so far this year. Room Nights Booked is also up. They are promoting mid-week and summer business and site flight and site drive markets. They are also fine-tuning their site inspection program to enhance the client experience.

Partnership: Davis Meyer reviewed recent events including tours of FIND Food Bank, the Marketing co-op open house, and the human resources FAM Andy Cloutier hosted. Upcoming events include: March 22 Meet & See at Coachella Valley History Museum, FIND Food Bank telethon, Meet & See at Palm Springs Art Museum, and celebrating National Travel and Tourism Week May 6-12, 2018.

Meyer announced the Oasis Awards to be held Tuesday, June 12, at the Renaissance Indian Wells from 2:00-5:00pm. With respect to Chillpass.com, the CVB is continuing to drive traffic to the site through social media. Top performers are: Riviera Palm Springs, El Morocco Inn & Spa, Alcazar Palm Springs, Kaiser Grille, Biggest Loser Resort, and Children's Discovery Museum. Data show that it is better to provide a specific dollar amount discount, not a percentage. Meyer also reported that the CVB will host two focus groups the week of April 9 for the Certified Tourism Ambassador Program.

Travel Industry Sales: Gary Orfield shared the marketing efforts with the German market: Fairflight and Faszination Fernweh, together with Santa Monica and San Diego. They are pushing a fly/drive package. The international market is the way to drive the summer business. With respect to the United Kingdom, there is a campaign with British Airways, "Three Epic California Road Trips." Orfield announced a partnership with Visit California on Global Ready India. The forecast numbers are large. He will request a host for an introductory event soon.

Orfield reported that he will provide more detail on one region at each board meeting, today is Scandinavia (Denmark, Norway, Finland and Sweden). He was there just recently and attended two consumer shows where it was beneficial to hear attendees' questions and motivations. A majority of people go to airline websites for their information. Scandinavians get six weeks vacation plus 12 holidays, so their stays are longer. Also, 43% visited a national park when they come to the US. Our ads should answer: "Where are you?" and "What is there to do?" Tim Ellis asked about the projections for this summer. Orfield said the biggest impact on travelers is currency, not politics.

Destination Development

Regional Collaboration: Bob Thibault reported on the TV partnership with ABC including the Oscars and Good Morning America. There were six additional commercials on the pre- and post-show of the Oscars. The ad video was shown. Thibault introduced Marissa Willman who is Director of Digital Content. Willman reported that the CVB transitioned its website to another

platform on Jan. 30 which made it more user friendly and the design is more mobile friendly with a cleaner layout and improved navigation. The CVB will roll out a new video gallery and focus on always enhancing the user experience. With site transitions, it is typical to lose some traffic, but we saw a 25% loss of traffic that lasted only two weeks and we have now fully recovered. The Partner pages are more user friendly. Our website efficiency is ahead of DMO trends. Thibault added that the CVB will target campaigns in advance of new air service.

Joyce Kiehl reported that Samantha Brown's Places to Love will be filming in the destination March 23-28. Our area will be featured on the first episode airing on PBS in Fall 2018. This will be seen in 184 markets. Our destination will also be featured on "Wheel of Fortune Tennis Week Sweepstakes" from May 28-June 1 and June 4-8. The team will be in New York next week with Visit California for a media reception, mixer breakfast with Meredith Productions, and a NY digital influencer luncheon.

Thibault reported that our digital cooperative campaigns include 68 partner hotels and promotes mid-week stays on Expedia, Orbitz, Travelocity, Cheap Tickets and Hotels.com. There are 13 Partner deals on TravelZoo and they are working well. Willman reported that TripAdvisor now has a GPS page with all nine cities. There are ads, sponsor content, and lots of engagement with our ads, driving this traffic to pages on the CVB website and Chill Deals page.

Thibault reported that there are 15 summer co-op Partners and shared a chart comparing 2012 through 2018 and how impressions have grown from 125,000 to 16 billion, the power of co-ops.

There was a slide summarizing the economic impact of tourism on the destination comparing 2015 to 2017: The destination has 1) 13.6 million estimated number of day and overnight visitors, an increase of 5.5% over 2015. 2) 6.1 million estimated number of overnight visitors, an increase of 6% over 2015. 3) 5.5 billion in tourist spend, and increase of 10% over 2015, and 4) \$7 billion in total economic impact of tourism, an increase of 9% over 2015.

Jeff Miraglia reported that collaboration leads to setting higher standards and greater success and noted the co-op with Palm Desert, Shops on El Paseo, Hotel Paseo and Sacred Heart School. The El Paseo commercial was shown. Miraglia noted that everyone in the production is a teacher or student from Sacred Heart School.

Miraglia also announced that the CVB won Visit California's Poppy Award again. It is awarded every two years by vote of our colleagues. The CVB won "Best Overall Marketing from 500K to 2M."

With respect to Outdoor Adventure Content, Miraglia shared the new Chill Chaser episode featuring rock climbing in Joshua Tree National Park. He noted that the CVB is now creating shorter video clips as teasers to drive traffic to the longer YouTube pieces. The shorter versions are posted on Facebook and Instagram.

Regarding Culinary & Nightlife: Miraglia noted the dineGPS series has 544,792 video views of the local chef series. The Chef Gabriel Woo at Sparrow Lodge/Holiday House episode was shown.

Air Service / Transportation: White announced the selection of the CVB's new air service development consultant, Ailevon Pacific, based in New Zealand and Atlanta. They understand tourist destinations and already the CVB sees a shift in how they are presenting our destination. White is attending the JumpStart conference in Cleveland in June.

White reported that rail development continues to move forward with its environmental impact study. As for air service, Air Canada is adding new service in Fall 2018. American Airways added a new flight over the summer.

Education: White noted the completion of the new study about a fully built out CSUSB PDC campus. All board members were given a copy today. The highlights include total econ impact would be \$289M, 2600 jobs, nightlife and music venues, 8,000 students, workforce development. Send a letter with all our signatures on it.

Culinary: Vicki Higgins reported that Restaurant Week will take place June 1 – 17. They have an aggressive marketing campaign with estimated impressions over 400 million and they almost have 100 participating restaurants. Registration is still open for new participants. A tote bag with information was provided.

Health & Wellness: Higgins reported that, using the model for Restaurant Week, the CVB created a "Wellest Season" campaign for October, November and December. An advisory committee has been created and the concept will be a year-round effort. Events include Wanderlust, Tram Road Challenge and Ironman. Desert Health News recently ran a lead article "Destination Health." The CVB is a member of the Wellness Tourism Association.

Kiehl reported that "Fit House" is a company focusing on experiences. There will be two separate groups here March 23-26 and March 26-29 from major publications to report on our destination.

Outdoor Adventure: Higgins noted that Friends of the Desert Mountains are busy with repairs from recent flooding. The CVB is focusing first on trail signage in Palm Desert and La Quinta and also street directional signs and apps.

Kiehl is working on a FAM for Goldenvoice. Influencers will be in the destination for weekend 2 of the Coachella concert covering art at Coachella Music & Arts Festival, Desert X 2019, the Palm Springs Art Museum and more.

Arts & Culture: Steven Biller, with California Desert Arts Council, reported that they are creating a public art driving tour. He shared an image of the brochure that will be created for each city. These are his contacts: Cathedral City (Deanna Pressgrove/ Alan Carvalho), Coachella (Gabriel Martin and Jamie Fulton/CV Strategies), Desert Hot Springs (Daniel Porras), Indio (Jim Curtis), Indian Wells (Nancy Samuelson/Micaela Wilkey), La Quinta (Christina Calderon), Palm Desert (Deborah Schwartz), Palm Springs (Jennifer Henning/Ann Scheffer), Rancho Mirage (David Bryant). The brochure shows where public art can be found.

- Monthly Summary Financial Report & Treasurer's Report

White reported that the CVB is in great financial shape and revenues are good. He noted that John Kirby is available to answer any questions. There were none at this time.

Industry Updates

- Opportunity for CVB board members to provide an update on anything new.

Ellis reported that Palm Mountain is having a good season.

Scaramellino reported that Mission Hills Resort is looking forward to the ANA Inspiration golf tournament.

Keller reported that Modernism Week was good for business. Acqua California Bistro and LULU have a number of events coming up including St. Patrick's Day and Easter.

Roshardt from Renaissance Indian Wells congratulated the CVB on its awards.

Purdy reported that the Palm Springs Aerial Tramway now has an app.

Abney reported that many owners of small hotels bought the properties to retire and relax and some did not. El Morocco is looking forward to working with GPSCVB more closely and help other small hotels to do the same.

D'Agostino reported that the Indian Wells Tennis Tournament was good for Hyatt Indian Wells with lots of press coverage and social media activity.

Steward reported that the Ritz-Carlton Rancho Mirage has been busy.

McLean reported that he is planning to vote "no" on Measure C June 5, 2018, which proposes a ban on vacation rentals in Palm Springs. There is a website: WeLovePalmSprings.org.

Schneider reported that Desert Adventures is so busy, he needs more guides. They will provide training in the fall. Pay is minimum wage plus tips. He has little group business in March, but individual travelers have been good for business.

Zod reported that the Renaissance Palm Springs is doing well.

Levitt reported that Enterprise is interested in participating in CalTravel. Profitability is soaring.

Del Mas reported that Empire Polo Club is gearing up for April music festivals. The actual set up begins two weeks from tomorrow. They had a great February and March with strong wedding and corporate business. Haagen Company acquired the Indio Fashion Mall. The new General Manager will come to the next CVB board meeting for introductions. The landscaping is being redone and space is about 30% leased. All the current tenants are staying and they are excited.

Dada from Hilton Palm Springs had a question for the attorneys in the room: Can the CVB take a position opposing Measure C? Steve Quintanilla's response was yes. Dada noted the \$200 million impact on Palm Springs by vacation rentals. He requested a resolution on the April meeting agenda. Moon added that there are 2,000 vacation rentals now and they will go underground if Measure C passes. There would be no enforcement and no control. Keller added that Palm Springs could be a model for other cities grappling with the vacation rental issue. Moon added if Measure C is passed by the voters, the topic cannot be revisited.

Brown-Welty reported that they will have three candidates in April for the hospitality director position. CSUSB Palm Desert Campus will schedule two dinners and a lunch to interact with the candidates. The university is also excited for commencement coming up soon.

Poncher reported that, because Homewood Suites La Quinta is across the street from the BNP Paribas tennis tournament, they have been busy.

Cardiff reported that the busses at Cardiff Transportation are running and they will acquire three new ones in June.

Evans reminded all present to turn in their Form 700.


Future Meeting Date

Friday, April 27, 2018, 8:00 a.m. in the CVB Boardroom

Adjournment

The meeting was adjourned at 9:39 a.m.

Prepared by:


Revae Reynolds
Executive Administrative Assistant

CVB Board of Directors Secretary:


Robert Del Mas

Approval Date:

April 27, 2018