

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

Charles Townsend
City of Rancho Mirage

V. Manuel Perez
County of Riverside

Joint Meeting JPA Executive Committee & CVB Board of Directors June 22, 2018 MINUTES

Call to Order – Meeting was called to order at 8:11 a.m. by Linda Evans, JPA Chairman and Mayor of the City of La Quinta, in the Springs Ballroom at the J.W. Marriott Desert Springs Resort & Spa, Palm Desert, CA.

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 Jan Pye, Council Member	X	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	X	1
CITY OF PALM DESERT Jan Harnik, Council Member Sabby Jonathan, Mayor		2
CITY OF PALM SPRINGS Geoff Kors, Council Member Robert Moon, Mayor	X	1
CITY OF RANCHO MIRAGE Charles Townsend, Council Member Iris Smotrich, Mayor Pro Tem	X	2
COUNTY OF RIVERSIDE V. Manuel Perez, Supervisor, 4 th District Steven Hernandez, Chief of Staff	X	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	X
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	X
Jamey Canfield, Palm Springs Convention Center	E
Gary Cardiff, Cardiff Limousine & Transportation	X
Jay Chesterton, Fantasy Springs Resort Casino	X
Stephen D'Agostino, Hyatt Regency Indian Wells	X
Tim Ellis, Palm Mountain Resort	X
Jerry Keller, Lulu California Bistro	
Lance Levitt, Enterprise Rent-A-Car	X
Jay Mainthia, Indio Super 8 Motel	
Michael McLean, McLean Company Rentals	
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	E
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	X
Elie Zod, Renaissance Palm Springs	X

(X = present, E = excused)

Staff/Attorney:

Scott White, President and CEO
 Erica Abarca, Marketing Administrative Assistant
 Vicki Higgins, Vice President of Destination Development
 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
 Erica Felci, CVAG (Coachella Valley Association of Governments)
 Peter Freymuth, PS Airport Commission
 PJ Gagajena, City of Indio
 Steven Hernandez, City of Coachella
 Tom Kirk, CVAG

Paulina Larson, Palm Springs Life
Sean Smith, City of Rancho Mirage
Thomas Soule, City of Palm Desert
Emily Stauber, Grayse & BID
Christine Stein, Leeds & Son Fine Jewelers

Pledge of Allegiance

Evans lead the Pledge of Allegiance.

Confirmation of Agenda

The agenda was accepted unanimously with notation that the next meeting date will be September 28, 2018.

Public Comment – none

Presentation – Tom Kirk, Exec. Director, Coachella Valley Association of Governments (CVAG)

Linda Evans introduced Tom Kirk who reported that the grand opening event on February 23, 2018, was a success and honored the late County Supervisor John Benoit. What was a vision five years ago, is now underway. All the construction money has been raised including contributions from the Desert Healthcare District, Air Quality Management District and others. The operations and maintenance costs are minimal, but Renova Solar will help. CVAG is working with Desert Arc and others so virtually no cost will be borne by the City of Cathedral City for this section, although they are tracking the cost. CVAG is working on obtaining right of way in the various other cities. Next will come a section in Palm Springs and additional connections, an awareness campaign, and a focus on pedestrian safety. Future extensions are planned into Desert Hot Springs and also in the music concert corridor of La Quinta, Indio, and Coachella. Q&A: The cost of first 2.5 miles was \$2M/mile.

Approval of Minutes (all vote)

The JPA-CVB Board of Directors Joint Meeting Minutes dated April 27, 2018 (all vote).

The JPA Executive Committee and CVB Board of Directors Joint Meeting Minutes dated April 27, 2018, were approved without changes. The vote was unanimous based on the roll call taken at the beginning of the meeting with one abstention from Smotrich because she did not attend the April meeting (Perez/Balocco).

Consent Calendar (JPA Exec Committee Only Votes)

1. Warrants and Demands Dated April 30, 2018
2. Warrants and Demands Dated May 31, 2018

The consent calendar was approved and the vote was unanimous based on the roll call taken at the beginning of the meeting (Henry/Holmes).

CVB Board of Directors

- Fiscal Year 2018-2019 Proposed Budget

White summarized the proposed budget noting the addition of new positions. The total proposed budget for 2018-2019 is \$18.8 million. He has asked John Kirby, Vice President of Finance and Administration, to create a plan for reserves. Aftab Dada noted the conservative budget, the contribution from cities represents 10% and the rest comes from the TBID. He added that the Chairman's Committee met and approves of this budget. White noted that some of the current services which are contracted out will be brought in-house. Evans noted the decrease in

the digital category; it was only moved into the advertising budget. The proposed budget was approved unanimously based on the roll call taken at the beginning of the meeting (Ellis/Hoehn).

- TBID Annual Report

White noted that Civitas created this annual report which is required by the State of California. This is a compliance report, not a business plan. Ellis asked about the term of the TBID; there are two more years left. The TBID terms are five years. The TBID Annual Report was accepted by the Board and the vote was unanimous based on the roll call at the beginning of the meeting (Dada/Schneider).

JPA Executive Committee Items

- Updates from the Chair

Chair Evans welcomed a round of applause for the recent CVB Oasis Awards.

- Resolution No. JPA 2018-004: Authorizing the Vice President of Finance and Administration to Carry Over Certain Funds to the Next Fiscal Year

The resolution passed unanimously based on the roll call taken at the beginning of the meeting (Henry/Balocco).

- Resolution No. JPA 2018-005: Monies in the Retiree Health Account May be Appropriated to Support the Retiree Health Plan

The resolution passed unanimously based on the roll call taken at the beginning of the meeting (Henry/Balocco).

- Resolution No. JPA 2018-006: Adopting Records Retention Schedule

The resolution passed unanimously based on the roll call taken at the beginning of the meeting (Balocco/Henry).

- F/Y 2018-2019 Proposed Budget

There was no additional discussion. The resolution passed unanimously based on the roll call taken at the beginning of the meeting (Balocco/Henry).

- TBID Annual Report – Required by State of California

The TBID Annual Report was discussed in the section above. The members of the JPA Executive Committee also approved of the report.

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

Elaine Holmes – City of Indio is looking forward to the opening of the new Fairfield soon.

Iris Smotrlich – City of Rancho Mirage: A Canadian development firm closed escrow on property in the city; more information soon. The city won a special dog park award and the Rancho Mirage library won the California Library Association excellence award for the writers' event. The new observatory is busy. She brought pamphlets regarding the summer reading program.

Richard Balocco – City of Indian Wells will welcome the national pickleball championships this fall and the Ironman competition in December in partnership with the City of La Quinta. The Sands Hotel is a new boutique hotel open in Indian Wells, featuring the Pink Cabana restaurant.

Stan Henry – The Cathedral City amphitheater is breaking ground and the CV Repertory Theater is making progress on its new home in the previous IMAX theater space. The hotel center is coming along at the intersection of Bob Hope Drive and Varner Road. There will be a Best Western, AmPm, Starbucks, etc. at this location.

Scott Matas – City of Desert Hot Springs: Matas noted that pickleball is very popular at the property he manages. The city announced a new contract with Best Western at the north end of the city which will have 86 rooms. The city's portion of CV Link is in the planning stage and city council will vote on the pathway at its next meeting. One of the hotels is renovating to focus on the Health & Wellness theme and cannabis tourism.

Manuel Perez – A bond measure designating \$200 million for the Salton Sea passed. Riverside County will continue advocating in Sacramento on behalf of the Salton Sea. He is seeking an advocacy group to go to Sacramento and visit legislators to ensure Riverside County receives the appropriation it needs for the Salton Sea.

Steve Hernandez – The City of Coachella is moving forward on a 250-room hotel, including a 10,000 sq. ft swimming pool which will be finished by year end.

Geoff Kors – Palm Springs city council was in Sacramento last week. Regarding the Salton Sea, the city will support the Supervisor's proposal. Kors noted the failure of Measure C and thanked everyone for their efforts to defeat the measure banning vacation rentals. In the last year since Palm Springs adopted regulations on vacation rentals, TOT is up 9%, the city closed down 65 illegal units, complaints are down over 40%, and calls are down 90%. Also, Palm Springs is changing to district elections.

Linda Evans – City of La Quinta had a council session on vacation rentals and is not interested in banning them. The city is looking at how to enforce the balance between quality of life issues. The city has plans for a Marriott Residence Inn on Highway 111 north of Costco. The project is taking three of the city's ten acres there and adding entertainment and gathering areas. They are working on an Urban Land Institute study to remove some of the asphalt in the retail area along Highway 111. The SilverRock financing is underway and will include a park and an outdoor amphitheater for another venue offering in La Quinta.

CVB Board of Directors Chairman's Report

- Nominating Committee (CVB Board Votes):
Celeste Brackley, General Manager, Ace Hotel and Swim Club.
Abe Liao, General Manager, Kimpton Rowan Palm Springs.

Tabler introduced Tim Ellis, Chair of the Nominating Committee, who reported that the committee has two recommendations for new board members. He introduced Celeste Brackley, who shared some of her history. Ellis also shared biographical information on Abe Liao who is currently on vacation.

The motion to approve these two new board members passed unanimously based on the roll call taken at the beginning of the meeting (Dada/Bruggemans).

- Chairman's Update

Tabler echoed the comments about the Oasis Awards event, congratulated all the winners, and thanked Roshardt for hosting the event at the Renaissance Indian Wells. There was brief discussion about a newspaper article critical of airplane noise at night. The public needs to be made aware of the importance of air access. Kors added that the Federal Aviation Administration (FAA) controls the hours of flights. Nolan added that the airline chose the timing of the flight and he has reached out to them to change the time.

Tabler noted the success of 2018 so far has been outstanding.

CEO/President's Report

- Board Report for June 2018

White noted the sentence on page 42 of the Board Report, offering a prize to the first person to read the sentence and call him. This was a test to see how many people read the Board Report document. Greg Purdy was the first to call and will select either a Shag or a Graham Baxter print from CVB inventory.

White noted that the occupancy for May was up 3.1% over last year and demand is up 5.5%. The Average Daily Rate is up 37% since 2010. He noted that the CVB tracks Greater Palm Springs against other similar areas like Tucson, for example.

Coraggio Update – Scott White

White reported that this consulting company was hired in March. Coraggio does assessments for businesses in the tourism industry, including a successful project with Cal Travel. Because the CVB is growing and becoming more involved in air service and the pillars (Health & Wellness, Outdoor Recreation, etc.), there are increasing demands on the organization and on the staff. Coraggio interviewed all staff members, either individually or in focus groups. The Chairman's Committee has been involved in the process. Some themes emerged in areas of opportunity, namely leadership alignment, organizational reporting structure, enhanced collaboration across the organization and a tendency to be reactive more than proactive. White discussed the changes to the organizational chart. He also noted that the organization is evolving from a convention and visitors bureau to something more broad and considered the possibility of changing the name of the organization. This topic will be discussed further at the fall Board Retreat.

Evans commented that as positions evolve, providing ample advancement opportunities is healthy for an organization, encourages good employees to stay and fosters greater capacity over time. Tabler added that it is important for the destination to continue to grow our brand; we have come a long way, but there is still room to grow. White noted that the new theme at the CVB is "1626" meaning 16 million visitors by 2026. The CVB will rebrand internally to focus on this goal. Hoehn noted the reorganization committee that was formed in 2005 and how different the organization is today, congratulating White for leading the change. Scaramellino noted that bringing some out-sourced services back in-house is a good development and should prove to be more efficient and also favorable from a legal standpoint. Ellis applauded White for pursuing this process, consulting all staff, and noted it was refreshing to read through the resulting report.

Meeting Sales – Rob Osterberg

Osterberg reported on leads, new leads, bookings and room nights. Additional advertising helped lift the team's pace for the year 2019. Association business has produced about 40% of our bookings, 42% is corporate business. California represents the largest number of our bookings and the mid-Atlantic states do well as does the Chicago area. Having CVB sales staff strategically placed in these areas benefits the productivity of the CVB. Since the start of the

year, pace in 2019 has increased 15%. Thibault summarized the advertising targeting meetings - print ads, digital banners, newsletters, totaling 1.2 million total impressions.

Partnership – Jill Philbrook

Philbrook recapped the Oasis Awards held last week, thanked the Renaissance Indian Wells and Christoph Roshardt for hosting the event. There were 28 winners, 7 scholarship recipients, and over 660 RSVPs. Brooke Beare was the host and a keynote speaker, Linda Larsen, was added this year. New award categories were created: Sales & Events, Experiences, Hotels & Resorts, Health & Wellness, and Culinary. Donations to the scholarships were generous and the recipients received \$1,800 each.

The Certified Tourism Ambassador (CTA) program is building program content and has created a logo for Tourism Ambassadors of Greater Palm Springs.

Vicky Higgins summarized Restaurant Week, noting that 106 restaurants participated over the 17 days, and the CVB partnered with FIND Food Bank and encouraged online donations to the organization. Website reservations were up 39%. She is still collecting data and will provide a full recap at the September board meeting.

Travel Industry Sales – Gary Orfield

Orfield shared examples of the CVB's marketing in Germany, the United Kingdom, Australia, and the Global – RTO (receptive tour operator) industry. Travel Industry Sales had a very busy period since the last board meeting hosting 73 clients on 7 FAMs in a 10-day period! The Brand USA FAM was 12 simultaneous itineraries across the United States. The IPW convention wrapped up in Denver recently and the CVB had 4 Partners join in, along with PS Resorts. Orfield also reported on the Global Ready India seminar which took place earlier this week. Visit California recognizes India as the #1 key growth market, so there is a lot of opportunity there. The CVB was represented in the Hanatour Travel Show in Seoul, South Korea. He also summarized the upcoming travel in June, July, August and September.

- Destination Development

Air Service

White summarized the market share by carrier and their respective year-round and seasonal service. The map of the United States shows that visitors are coming to the destination but have to connect in the mid-west. Additional data shows that load factor is high during the off season, which helps support our case when we advocate for summer growth.

Health & Wellness

Miraglia summarized the "Live your Wellest" campaign which runs September through December and features 9 pillars of health and wellness: spa and hot springs, fitness and sports, outdoor adventure, nutrition, beauty and mindfulness, medical tourism and healing, and others. The CVB partnered with Palm Springs Life to produce a 12-page insert "Wellest Guide" in the Vitality issue. The pages will focus on our destination's health and wellness activities, resources and experiences, as well as the people and businesses that help visitors to live their "wellest". Wellspring is a conference by global wellness organization and GPSCVB partner Wanderlust to be held at the Palm Springs Convention Center on Oct. 26-28, 2018. Videos were shown, although not yet finalized, and will run on cable and KTLA.

Arts & Culture

Marissa Willman, Digital Content Manager, reported on the CVB's new capabilities on the website as a result of the contract with Simpleview. For example, in April when people search our website for Coachella, they will see suggestions for others activities in the destination. The homepage is "smarter" so when someone browses our site, the homepage will change to

display their interests. Analytics show us that time on the site is up 177%. Now the CVB will start monitoring the viewers' geographic location and target messages accordingly.

- Regional Collaboration

Wander List Wins Emmy

The National Academy of Television Arts and Sciences, Pacific Southwest Chapter, recognized Wander List with a 2018 Emmy Award for Wander List, Cocktail Culture. The Wander List series received a total of three nominations.

Social Media – Chill Challenge

Krystal Kusmieruk, Social Media Manager, introduced the social media YouTube campaign featuring four vloggers sharing authentic experiences in the destination. Their experiences aligned with the Destination Development Plan, focusing on Outdoor Adventure, Health & Wellness, and Arts & Culture. One of the influencer videos was shown that summarizes the activities of all four influencers. From June 17 to June 22, there had been over 160,000 video views.

Pacific Northwest Events

Orfield noted that CVB staff from the travel trade, convention sales, and media departments will be in Portland July 16 and Seattle July 17 attending client events.

- Research

Thibault noted that the Strategic Marketing and Research Insights (SMARI) awareness study for 2017 shows that the CVB's marketing campaigns are outpacing the prediction for all seasons. The CVB invested more into advertising this year and awareness is 20 points higher than it was the year before. Also, "intent to travel" increases significantly when people are aware of the campaign. SMARI also asked travelers to describe each of these competitive destinations (Napa Valley, Phoenix/Scottsdale/Tucson, Santa Barbara, Monterey, and Greater Palm Springs) and created a "word cloud" for each. The result shows more variety in the description for GPS which supports the CVB's efforts to promote the variety of experiences available here.

The new 60-second destination video was shown. Doug Watson recognized Jeff's work on the videos which he called "world class."

- Monthly Summary Financial Report & Treasurer's Report – April 2018

White summarized the financial reports as strong and welcomed any comments or questions.

Industry Updates (CVB Board)

- Brief updates on any new developments

In the interest of time, Tabler asked that board members raise a hand if they had something to share.

Jay Chesterton – complimented the CVB on good work.

Bob Schneider – reported that Show Me Palm Springs is scheduled for September 12.

Aftab Dada – thanked everyone in the room for their support to defeat Measure C (banning vacation rentals in Palm Springs).

Robert del Mas – reported that the Empire Polo Club is in the early stages of a proposal for an international polo event in the fall of 2022.

Future Meeting Date

Friday, September 28, 2018. Location TBD.

Adjournment

The meeting was adjourned at 9:48 a.m.

Prepared by:



Revae Reynolds
Executive Administrative Assistant

CVB Board of Directors Secretary:



Robert Del Mas

Approval Date:

9/28/2018