

JOINT MEETING JPA EXECUTIVE COMMITTEE & CVB BOARD OF DIRECTORS MINUTES

Call to Order

The conference call was called to order at 8:34 a.m. by Linda Evans, JPA Chair and Mayor of the City of La Quinta.

Roll Call

The roll call is recorded on the following page.

SEPTEMBER 25, 2020

Zoom Video Call

Regular Meeting

Friday, September 25, 2020, 8:30am – 10:00am

JOINT POWERS AUTHORITY

Linda Evans, Chair
 City of La Quinta

Geoff Kors, Vice Chair
 City of Palm Springs

Ernesto Gutierrez
 City of Cathedral City

Gary Gardner
 City of Desert Hot Springs

Ty Peabody
 City of Indian Wells

Elaine Holmes
 City of Indio

Jan Harnik
 City of Palm Desert

Charles Townsend
 City of Rancho Mirage

V. Manuel Perez
 County of Riverside

| | | PRESENT | NOT/YTD |
|----------------------------|---|---------|---------|
| CITY OF LA QUINTA | Linda Evans, Mayor, Chair | X | |
| | Robert Radi, Council Member | | |
| CITY OF PALM SPRINGS | Geoff Kors, Mayor, Vice Chair | X | |
| | Dennis Woods, Council Member | | |
| CITY OF CATHEDRAL CITY | Ernesto Gutierrez, Council Member | X | |
| | Mark Carnevale, Council Member | | |
| CITY OF DESERT HOT SPRINGS | Gary Gardner, Council Member | X | |
| | Robert Griffith, Mayor Pro Tem | | |
| CITY OF INDIAN WELLS | Ty Peabody, Mayor | | 2 |
| | Ted Mertens, Council Member | | |
| CITY OF INDIO | Elaine Holmes, Mayor Pro Tem | X | |
| | Waymond Fermon, Council Member | | |
| CITY OF PALM DESERT | Jan Harnik, Council Member | X | |
| | Gina Nestande, Mayor | | |
| CITY OF RANCHO MIRAGE | Charles Townsend, Council Member | X | |
| | Iris Smotrich, Council Member | | |
| COUNTY OF RIVERSIDE | V. Manuel Perez, Supervisor, 4th District | X | 1 |
| | Steven Hernandez, Chief of Staff | | |

CVB BOARD OF DIRECTORS

Tom Tabler, Chairman
 J.W. Marriott Desert Springs
 Resort & Spa

Rolf Hoehn, Vice Chairman
 Indian Wells Tennis Garden

Robert Del Mas, Secretary
 Empire Polo Club & Event
 Facility

Aftab Dada, Treasurer
 Hilton Palm Springs Resort

Bruce Abney
 El Morocco Inn & Spa

Rick Axelrod, M.D.
 Coachella Valley Economic
 Partnership

Lorraine Becker
 Cabot's Pueblo Museum

Celeste Brackley
 Ace Hotel & Swim Club

Tony Bruggemans
 Le Vallauris

Gary Cardiff
 Cardiff Limousine &
 Transportation

Jay Chesterton
 Fantasy Springs Resort Casino

Dermot Connolly
 La Quinta Resort & Club and
 PGA West

Tim Ellis
 Ellis Hospitality Services

Rob Hampton
 Palm Springs Convention
 Center

Jerry Keller
 Lulu California Bistro

Jay Mainthia
 Indio Super 8 and Suites

| CVB BOARD OF DIRECTORS ROLL CALL | PRESENT | EXCUSED |
|---|---------|---------|
| Tom Tabler, Chair - J.W. Marriott Desert Springs Resort & Spa | X | |
| Rolf Hoehn, Vice Chair - Indian Wells Tennis Garden | X | |
| Robert Del Mas, Secretary - Empire Polo Club | | X |
| Aftab Dada, Treasurer - Hilton Palm Springs Resort | X | |
| Bruce Abney, El Morocco Inn & Spa | X | |

CVB Board of Directors
 (continued)

Michael McLean
 McLean Company Rentals

Allen Monroe
 The Living Desert

Lee Morcus (Emeritus)
 Kaiser Restaurant Group

Brad Poncher
 Homewood Suites by Hilton,
 La Quinta

Greg Purdy
 Palm Springs Aerial Tramway

Christoph Roshardt
 Renaissance Esmeralda Indian
 Wells

Tom Scaramellino
 Westin Mission Hills Golf Resort
 & Spa

Bob Schneider
 Palm Springs Power Baseball

Barb Smith
 Eventis Destination Services

Kelly Steward
 The Ritz-Carlton Rancho
 Mirage

Joe Tormey
 CSU San Bernardino
 Palm Desert Campus

Peggy Trott
 Kimpton Rowan Palm Springs

Doug Watson
 College of the Desert

Elie Zod
 Retired Hospitality Executive

| | | |
|--|---|---|
| Rick Axelrod, Coachella Valley Economic Partnership | X | |
| Lorraine Becker, Cabot's Pueblo Museum | X | |
| Celeste Brackley, ACE Hotel & Swim Club | X | |
| Tony Bruggemans, Le Vallauris | X | |
| Gary Cardiff, Cardiff Limousine & Transportation | | X |
| Jay Chesterton, Fantasy Springs Resort Casino | | X |
| Dermot Connolly, La Quinta Resort & Club | X | |
| Tim Ellis, Ellis Hospitality Services | X | |
| Rob Hampton, Palm Springs Convention Center | X | |
| Jerry Keller, Lulu and Acqua California Bistros | X | |
| Jay Mainthia, Indio Super 8 Motel | | X |
| Michael McLean, McLean Company Rentals | X | |
| Allen Monroe, The Living Desert | X | |
| Lee Morcus (Emeritus), Kaiser Restaurant Group | X | |
| Brad Poncher, Homewood Suites by Hilton, La Quinta | X | |
| Greg Purdy, Palm Springs Aerial Tramway | X | |
| Christoph Roshardt, Renaissance Esmeralda Indian Wells | X | |
| Tom Scaramellino, Westin Mission Hills Golf Resort & Spa | X | |
| Bob Schneider, Palm Springs Power Baseball | X | |
| Barb Smith, Eventis Destination Services | X | |
| Kelly Steward, The Ritz-Carlton, Rancho Mirage | X | |
| Joe Tormey, CSU San Bernardino Palm Desert Campus | X | |
| Peggy Trott, Kimpton Rowan Palm Springs | X | |
| Doug Watson, College of the Desert | X | |
| Elie Zod, Retired Hospitality Executive | X | |

STAFF/ATTORNEY

Scott White, President and CEO
 Bill Judson, Vice President Finance and Administration
 Jeff Miraglia, Chief Brand Officer
 Colleen Pace, Chief Marketing Officer
 Erica Abarca, Partnership Manager
 Suzanne Aed, National Sales Manager
 Miranda Caudell, Copywriter
 Andy Cloutier, Director of Human Resources
 Angie Day, National Sales Manager
 Paola Fernandez, Digital Marketing Coordinator
 Dana Fury, Marketing Manager
 Stacie Herndon, Senior Graphic Designer
 Joyce Kiehl, Director of Communications
 Stefanie Kilcoyne, Director of Operations

Rebecca Kirkpatrick, Business Analyst
 Krystal Kusmieruk, Digital Marketing Manager
 Laura Hunt Little, Media Relations Manager
 Davis Meyer, Partnership Manager
 Anne Marie Mourhess, Associate Director of Sales
 Michelle Morgan, Director of Regional Sales
 Gary Orfield, Director of Tourism Development
 Rob Osterberg, Director of Convention Sales
 Revae Reynolds, Executive Administrative Assistant
 Julie Sinclair, Director of Brand Communications
 Sean Smith, Director of Indian Wells Sales & Marketing

Lena D. Wade, Legal Counsel

GUESTS

Joni Almy, City of Rancho Mirage
 Brad Anderson, Public Comments
 Kate Anderson, Agua Caliente Band of Cahuilla Indians
 Brooke Beare, City of Indio
 David Feltman, Vacation Rental Owners and Neighbors of Palm Springs
 Andrew Firestine, City of Palm Desert
 Chris George, La Quinta Resort & Spa
 Marcie Graham, City of La Quinta
 James Halper, Public Comments
 Bruce Hoban, VRON of Palm Springs
 Todd Hooks, Agua Caliente Band of Cahuilla Indians
 Paulina Larson, Palm Springs Life
 Brian Patel, Motel 6, Thousand Palms
 Gina Reed, Civitas Advisors
 Greg Rodriguez, Riverside County
 Thomas Soule, City of Palm Desert
 William Stetz, Public Comments
 Frank Weiser, Legal Counsel for Motel 6, Thousand Palms

PLEDGE OF ALLEGIANCE

Chair Evans lead the Pledge of Allegiance.

CONFIRMATION OF AGENDA

Chair Evans asked whether there were any changes to the agenda.
 Scott White requested the CEO/President's Report be moved to the beginning of the meeting to accommodate staff schedules. There were no objections.

The agenda was approved unanimously as amended.

CEO/PRESIDENT'S REPORT

CVB UPDATE

Air Service:

Scott White reported that Southwest Airlines will begin service to Palm Springs in November. They have not announced the cities yet. The CVB has been meeting with the airline regularly over the last five years at the airline conferences Routes America and Jump Start, and their headquarters in Dallas. The CVB generated research for them to evaluate their service choices. Alaska Airlines recently announced service from Palm Springs to San Jose, Reno and Boise. The expectation is for San Jose to be year-round. The CVB has been targeting this service over the last four years. The access is strategic with

respect to technology development. JetBlue has added Ft. Lauderdale and American added Philadelphia for Saturday only. It does connect with international routes and the service may grow in the future as Delta did with service to Atlanta. With these various new air service options, the airlines are recognizing our destination as a viable leisure option.

Marketing

Colleen Pace reported that the Marketing Department will create plans to address the new fly markets. Those campaigns will start in October, earlier than planned, but the interest justifies the change.

The "Safer Together. Greater Together" pledge launched in June. To date, there are 440 businesses who have taken the pledge. It has been promoted in the drive market since June and has 160M impressions. The purpose was to show consumer confidence in our destination and it has generated 2,600 room nights and \$490,000 in bookings. There was a local campaign that every pledge counts. There are 21M impressions from The Desert Sun, TV, billboard, and digital.

Safer Travel Initiatives – The CVB is capturing video and photography for a marketing campaign to highlight safety and best practices, mask wearing, etc., to build more confidence in the consumer. Thank you to all who have participated.

Television ads have been playing in the drive markets like Seattle, Portland, Phoenix, and Las Vegas. Billboards have been on display in Los Angeles, Orange County and San Diego since June.

Expedia & Trip Advisor – Expedia has been a very successful campaign. It launched in June when not all hotels were open. In July, numbers were better. August was at \$1.7M, so we are building momentum. The CVB has been focusing on the drive market and will add the fly market soon. October pacing on bookings looks good, ahead of last year. The campaign on TripAdvisor launched this month.

Travelzoo has a "deal" feature. You can participate at no cost. There is no commission. All are encouraged to submit an offer, launching in early October.

Edge Media is a campaign targeted to the LGBTQ sector that will start in October.

The Visit California Co-op runs from July through December on Expedia, Adara, and Pandora. It is focused on in-state marketing.

Beginning in October, the CVB will relaunch the Adara campaign which is sold out, so we created another digital offer through Centro to a targeted audience. The last co-op the CVB just relaunched is the Billboard co-op which runs year-round. Contact Colleen to discuss your desired target markets and number of boards.

Website

Pace announced the launch of the CVB's redesigned website to take place on Tuesday, September 29, at 1pm. It is a "mobile first" design to make navigating easier on one's smart phone. There is an increase in member/partner referrals. The Partner Portal is also updated.

Social Media

Pace reported that the CVB is pushing out content on safe travel, al fresco dining, field trips, families, and distance learning. Total impressions are at 700,000.

Convention Sales

The CVB is hosting an online meeting series called GPS Reboot, a VirtuWell series, to stay engaged with our clients. So far, 158 clients have attended events on July 14, July 29, Aug. 18 and Sept. 16. Each has a wellness theme. The next one is scheduled for Oct. 14. The CVB has connected with local experts to participate in these panel discussions. The next series will launch in Fall 2020 and focus on Arts & Culture.

Leads and bookings in June, July and August were markedly lower compared to last year.

Cancellations on the GPS books due to COVID-19 amount to 138,015 room nights with an economic impact of over \$82M. The time period is March 2020-December 2021. Cancellation data was also shared for the convention center and hotels. Leisure travel is up, but it does not make up for the group cancellations.

Communications

Media coverage regarding the new air service has led to ad value of over \$1.5 million, with total impressions over 1.34 billion. Leisure travel and California travel articles are including GPS for good coverage. Stories will appear soon in Fodor's, EnCompass, Spectrum News, American Way, Departures, Essence and Travel + Leisure.

Sunset Magazine has chosen its annual "Holiday House" and it is in Palm Springs. They will be in destination this week with early preparations.

MONTHLY SUMMARY FINANCIAL REPORT & TREASURER'S REPORT – JULY 2020

Scott reported that the financial documents were provided in the board meeting materials. If you have any questions, feel free to contact Scott or Bill Judson.

PUBLIC COMMENT

This Public Comment period is for items that appear within the Consent Calendar or matters that are not listed on the Agenda.

Linda Evans called on Brad Anderson who reported that he would like to speak on the Public Hearing item later in the meeting.

APPROVAL OF MINUTES (All Vote)

JPA-CVB BOARD OF DIRECTORS JOINT MEETING MINUTES DATED JUNE 26, 2020 (all vote).

The JPA Executive Committee and CVB Board of Directors Joint Meeting Minutes dated June 26, 2020, were approved with two changes. The reference to Vacation Rental Owners of Palm Springs was corrected to Vacation Rental Owners and Neighbors of Palm Springs. The reference to Margaritaville as a sponsor at the Tennis Gardens was corrected to reflect their sponsorship of the Pickleball Tournament. Evans asked for those in favor, opposed and abstaining. There were no abstentions or opposed, so the vote was unanimous based on the roll call taken at the beginning of the meeting (Gardner / Kors).

CONSENT CALENDAR (JPA Exec Committee Only Votes)

WARRANTS AND DEMANDS DATED JUNE 30, JULY 31, AND AGUST 31, 2020

Regarding the Consent Calendar, Evans asked for those in favor, opposed and abstaining. There were no abstentions or opposed, so the Consent Calendar was approved and the vote was unanimous based on the roll call taken at the beginning of the meeting (Kors / Gardner).

PUBLIC MEETING

TBID PUBLIC MEETING

A Public Meeting will be held pursuant to Government Code section 54954.6 to allow public testimony regarding the Renewal of the Greater Palm Springs Tourism Business Improvement District (GPSTBID) and the levy of assessments therein as set forth in the Resolution of Intent (approved by the JPA Executive Committee on June 26, 2020) and pursuant to Government Code section 54954.6.

- Open Public Meeting
- Staff Report – White
- Questions of Staff
- Open Public Testimony Period
- Close Public Testimony Period
- Close Public Meeting

Chair Evans gave a brief update on COVID-19 hospitalizations in Riverside County District 4 from April to the present. She noted that our local health institutions report COVID statistics daily. These numbers are average daily sums for each month. In July, the numbers increased and stressed the system, but we have been in the single digits most of the last few weeks.

Chair Evans then introduced the next topic – the TBID Renewal Public Meeting.

Scott White gave an overview of the Staff Report included in the Board packet.

White reported that the vacation rental industry, represented by Michael McLean, approached the CVB a few years ago to create a TBID for vacation rentals. The CVB held some meetings with vacation rental representatives, consulted with Civitas who worked on the hotel TBID, explored options, but it wasn't the right timing. The vacation rental group approached the CVB again more recently and the CVB was able to integrate the vacation rentals (VR) into the renewal of the hotel TBID. White noted this is an assessment, not a tax. The difference is that the assessment can only be spent on the activities outlined in the Management District Plan (MDP). The CVB would use the assessment money for air service development, promotions for vacation rentals (as it does for the hotels), workforce development, among other activities. The CVB would create a Vacation Rental Advisory Group to assist with prioritization of activities and expenditures. The CVB would expand its board of directors and add four more board positions representing the VR industry. White encouraged nominations to be sent to him. The 1% assessment would begin July 1, 2021, and would be submitted to your city on the TOT form; then the city remits it to the CVB.

The Tourism Business Improvement District (TBID) was established in 2009. The CVB had completed an assessment study that revealed: those who had not visited GPS thought we were too hot, we had no airport, we were a destination for the wealthy, and we were not concerned about the environment. Those who had visited thought we were an oasis, we were relaxing, and sustainable, so clearly there was a disconnect between those who had been here and those who had not. From this information, the CVB rebranded and developed pillars of focus: outdoor adventure, health and wellness, and arts and culture. The TBID was increased to 3% and now GPS is marketing to the drive market year-round, we have expanded our summer marketing, created the Chill campaign, promoted GPS more on an international level, especially the non-stop air service markets. The CVB was able to work more on air service development and hired a consultant to move air service forward. The CVB also works toward rail service in the destination, working with entities for rail service from Los Angeles, at least a few times per day. Regional collaboration is also an opportunity for the cities to work together and create co-op programs. The CVB is working on growing the off season. The CVB uses credit card data that shows that people indeed stop on their way through the Coachella Valley on I-10. The Brand team is creating world-class video campaigns and TV spots. The CVB has a campaign with Expedia and has expanded campaigns internationally. The TBID allows the CVB to do research about the Salton Sea, the risks of non-development and the benefits to the Coachella Valley if it can be restored. Various research projects help us solidify our position and strategies to benefit the tourism industry, businesses, and the economic development of the Coachella Valley. The CVB supports the Hospitality program at CSU San Bernardino, Palm Desert Campus, and College of the Desert. When Southwest Airlines asked for data, the CVB conducted economic impact studies to bolster the position of GPS in their decision-making. The CVB subscribes to services such as Uber Media, visitor phone data, and geofence data, to fine-tune its marketing programs. All of these efforts benefit the TBID hotels, and now vacation rentals starting July 1, 2021. The TBID is a 3% assessment on rental agreements in hotels with 50 rooms or more and 1% on vacation rental stays less than 28 days throughout the valley.

Questions:

Lee Morcus asked what the revenue would be from vacation rentals. White said, based on 2019 numbers, approximately \$1.2M to \$1.7M annually. Since it doesn't start until July 1, 2021, he hopes business will be back up to 75% of the pre-pandemic levels by then.

Aftab Dada added that for June-August 2020 and to the end of the year, in Palm Springs, the vacation rental business is up 100% over last year.

Linda Evans noted that some cities are phasing out their vacation rental permits. In the City of La Quinta, short-term rentals are a \$3.5M revenue source. She is not in support of a ban, but there needs to be a balance with enforcement.

Lee Morcus added that a ban would not stop people from renting their properties.

Public Comment:

Brad Anderson

Mr. Anderson is a resident of Rancho Mirage and is opposed to the TBID. He noted that he has no "skin in the game," but has experience with benefit assessment districts and hopes all the protocol is in place so that everything is legal. He believes 1% is too high and that public safety is "an issue." He is opposed to the TBID as written.

Bruce Hoban

Mr. Hoban is co-founder and board member of Vacation Rental Owners and Neighbors (VRON) in Palm Springs, which was founded in 2017 to represent homeowners. They added property managers to their membership in 2019. VRON is a non-profit and works with cities to keep regulations and enforcement at acceptable levels so vacation rentals are a positive entity. Cooperation like this has been a goal of theirs. Over the last few months, they have worked with the CVB on how this will work, identify the needs, and how it will benefit vacation rentals. Scott White and Davis Meyer have been a great help. They have provided helpful input and meaningful answers. Mr. Hoban said that TBIDs can be confusing and many owners think of this as a tax, but this is just in addition to the TOT and is paid by the guest. This proposed TBID combines the hotels and vacation rentals into one united group, encouraging tourism. The TBID allows the vacation rental industry to educate citizens

that regulated vacation rentals can fit into the valley. It is important to market to visitors that there are regulations and they are encouraged to abide by them. VRON endorses the TBID. Their Board of Directors voted unanimously to support this proposal.

David Feltman

Mr. Feltman also wanted to commend the CVB staff. VRON (Vacation Rental Owners and Neighbors of Palm Springs) and the vacation rental industry have been working with the CVB. He is impressed with the staff at all levels at the CVB. They are an impressive team. With respect to the TBID, Mr. Feltman reported that our tourism economy has been hurt by the lack of group and convention business. Leisure business is hanging in there. The TBID allows us to look to the horizon so we can support the entire tourism economy when the TBID is inclusive of vacation rentals, looking into the next decade for the development of our tourism economy. The vision to include vacation rentals in the TBID is critical to the future of the tourism economy. He compliments and supports the efforts of the CVB to be inclusive. He noted that the CVB is a "best of breed" marketing organization. Noting the presentation today by Colleen Pace, he believes the evidence is there, demonstrating the benefit of the TBID and the CVB's work. He supports the TBID enthusiastically.

Frank Weiser

Mr. Weiser is an attorney representing Motel 6 in Thousand Palms. He reported that he had a 14-page letter delivered to the CVB a few days ago which outlines his various constitutional objections to the TBID. He wanted to add that most of the arguments as to due process and taking of property are standard arguments. The essential issue for Motel 6 is not to harm the CVB and its noble goals. From a legal standpoint, forcing someone to join the organization and engage in "buying a product" as cited in a federal case, the government can't force someone to buy a product. If someone doesn't want to join, the government should not be able to force membership. Mr. Patel (owner of the hotel) claims he does not receive benefits from the TBID. Mr. Weiser claimed this is a type of tax and requested the letter be placed into the record. Linda Evans replied in the affirmative.

James Halper

Mr. Halper noted that he is a 78-year-old, partially disabled veteran. He has known the Patel family for over 20 years. The past three years, Mr. Patel has been taking care of Mr. Halper and is a charitable man. Mr. Halper noted that his father was one of the founders of the Coachella Valley. The hotel in question is not a destination for vacationers. Their clientele is truckers who stop on their way to somewhere else. Any CVB advertising is of no benefit for this hotel. He stated that this hotel in Thousand Palms has never been mentioned in CVB advertising. The owners have only this one hotel and their business will not change whether they pay into a TBID or not. He said the CVB is telling them they have to give the CVB money in order to do business. He said the CVB should do the right thing. Linda Evans thanked Mr. Halper for his service to our country.

William Stetz

Mr. Stetz reported that he is a resident of Palm Springs. He is a short-term rental owner where he lives in his home and rents part of his house through Airbnb. When he received the resolution in the mail that he was going to be assessed 1%, he felt challenged. There was no introduction as to what the CVB does for him. He benefits the community by providing a space for people to rent and then they go out to restaurants, etc. Although he is impressed by Colleen Pace and Scott White's presentations, they did not show how the promotions will benefit a specific Airbnb home-share like his. He still feels the assessment is an expense. He is opposed to the assessment levied against his choice. One size does not fit all. He believes he cannot be assessed for a service that he doesn't want and cannot see the benefits to him.

Bryan Patel

Mr. Patel noted that he is thankful for the opportunity to speak. He is the owner of Motel 6 in Thousand Palms. He noted these unprecedented times with the ongoing pandemic and believes the worst is yet to come. He noted that hoteliers are one of the hardest impacted industries and some are unable to stay afloat. His customers consist of I-10 truckers and locals. He has had to hire 24/7 security, enhance his cleaning protocols to protect customers and employees. He does not receive any benefit from the TBID and is politely requesting to withdraw from the assessment. He thanked the JPA for the opportunity to speak.

Jerry Keller

Mr. Keller wanted to thank everyone at the CVB for the wonderful work. It is very impressive. He noted that he is eager to see the new website. He noted that when he travels, he makes sure the hotel is addressing sanitation. Palm Springs just opened for indoor seating at restaurants. Palm Canyon Drive is an open, walking street. Customers are happy, business has been brisk, and the future looks brighter than a few months ago.

Mr. ____ Patel

(Note: audio connection was poor). Mr. Patel represents Motel 6 in Thousand Palms. This hotel receives no marketing or advertising from the CVB. It is located in Thousand Palms and its customer base is primarily truckers traveling along Interstate 10. The hotel wishes to withdraw from the CVB. Mr. Patel requested of the Board of Directors and the JPA to allow the hotel to withdraw. He thanked all for their time and for allowing him to speak.

Aftab Dada

Mr. Dada represents the Hilton Palm Springs. He complimented White's presentation regarding the history of the TBID. He wanted to make clear that the TBID assessment is levied on the customer. Management companies and owners do not have to foot this bill. That goes for both hotels and vacation rentals.

White noted that questions can also be directed to Davis Meyer, Director of Partnership at the CVB. She can be reached via email: dmeyer@gpscvc.com. There is also a website with more information and FAQs: gpsTBID.com. He noted that owners have the option to pass the assessment on to the guest, and most do. There are over 100 of these TBID arrangements in California.

Evans asked for any additional speakers. Seeing none, she noted that there is no decision for the JPA Executive Committee to make today. The final public meeting is Nov. 20, 2020. She thanked all participants for speaking.

Evans called the Public Meeting to a close.

JPA EXECUTIVE COMMITTEE ITEMS (JPA Executive Committee Only Votes)

APPROVAL OF CONFLICT OF INTEREST CODE (amended September 25, 2020)

Evans noted that Conflict of Interest Codes require periodic updating. The redline version (showing changes) and the updated version were both provided in the meeting materials. Evans asked for questions and comments. Hearing none, Evans asked for those in favor, opposed and abstaining.

There were no abstentions or opposed, so the Amended Conflict of Interest Code was approved and the vote was unanimous based on the roll call taken at the beginning of the meeting (Kors / Harnik).

OFFICER NOMINATIONS (vote at November meeting)

Evans noted that at the next meeting, the JPA Executive Committee will take nominations and approve the Chair and Vice Chair. Evans is honored to have served as Chair for the last six years. It is customary to move the Vice Chair to the Chair position and Gary Gardner has expressed interest in the Vice Chair position. Evans reported that she is impressed with the work of the CVB, its Board of Directors and the cities. Any additional nominations can be sent to Scott White via email.

RESOLUTION NO. JPA 2020-003 – MEETING DATES FOR 2021

The list of meeting dates for 2021 was included in the meeting materials. There were no questions or comments. Evans asked for those in favor, opposed and abstaining. There were no abstentions or opposed, so Resolution No. JPA 2020-003 regarding meeting dates for 2021 was approved and the vote was unanimous based on the roll call taken at the beginning of the meeting (Holmes / Kors).

RESOLUTION NO. JPA 2020-004 – REOPENING GUIDELINES FOR LOCAL MEETINGS

Evans invited Scott White to provide the background on this resolution.

White reported that meetings generate good business mid-week. Leisure travelers are in the destination primarily on the weekends. To ease the negative impact of the pandemic, Greater Palm Springs really needs at least small gatherings to be allowed. There is a Convention Center coalition in the state. The Governor's re-opening guidelines do not address indoor meetings. Other states are allowing indoor meetings, similar to guidelines for indoor restaurants. The CVB participates on a task force working to lobby at the state level in favor of meetings. Group meetings are planned well in advance; groups already booked for 2021 need guidance. The CVB is working at three levels - Riverside County Health Department, and economic development (at local, county and state levels) and with the California Travel Association. The recommendation, at a minimum, would be to allow meetings and have them follow the guidelines similar to restaurants with respect to indoor capacity according to the color zones. The goal is to save the business that is already booked and to give confidence to

future bookings. To approve this resolution is to support these guidelines with respect to allowing meetings. White asked for any questions.

Kors reported that the suggestion to tie group business to the four stages was a good way to go. Kors noted that we need to balance the economic impact of the pandemic with the knowledge we now have about stopping the spread. He noted the new air service to Palm Springs and the importance of keeping the interest of those airlines. He added that the Palm Springs Convention Center has done a great job on sanitizing and health protocols.

Supervisor Perez noted that this is a well-designed plan that makes sense. He reported that he had a quick conversation with the Governor's office and it seems they will be agreeable if we follow this approach. This is the type of guidance that lawmakers need. Perez said he supported this approach 100% and will work to advance it.

Evans asked for those in favor, opposed and abstaining. There were no abstentions or opposed, so the Resolution No. JPA 2020-004 regarding reopening guidelines for local meetings was approved and the vote was unanimous based on the roll call taken at the beginning of the meeting (Perez / Kors).

UPDATES FROM THE JPA MEMBERS AND CHAIR

Linda Evans welcomed Lena Wade of Slovak, Baron, Empey, Murphy & Pinkney (SBEMP), the CVB's new legal counsel. She noted that the firm has been in the Coachella Valley a long time. Scott White also welcomed Wade and noted she is a native of the destination and is involved in a number of charitable organizations. He complimented her expertise. Wade expressed gratitude for the introduction. She has been very busy so far and looks forward to meeting everyone.

Linda Evans reported that construction on the new Residence Inn (108 rooms) on Highway 111 in La Quinta, near Costco, is moving right along. This project is part of the city's "re-envisioning" of the 111 corridor. Evans reported that city council is considering scheduling a possible study session on the Montage and Pendry projects. Finalization of the planning and infrastructure will come soon. Mosaic, the financier, is committed to the project. The city has been working on roundabouts and other infrastructure projects. She reported on the safe conclusion to the recent incident at city hall where a Riverside County Sheriff deputy detained a gunman approaching city hall and the police substation, minimizing a potential tragedy.

Geoff Kors reported on the new flights coming into the Palm Springs airport and the status of the concessions. A new RFP (request for proposals) was distributed by the city and they are looking forward to new businesses opening at the airport. He noted that business owners in Palm Springs are investing in their properties. The outdoor seating arrangements on Palm Canyon were good for the city in September - for residents and visitors alike. He appreciates all the work of staff and businesses. The city will have three days of COVID testing at the convention center, whether you have symptoms or not, to keep the positivity percentage lower. The city budget was finalized; last year's numbers were better than the conservative projections and sales tax revenue was better than projected. The city was able to put some money back into reserves. One industry doing very well is residential real estate. Offers are coming in above asking price and people are moving here because they are working from home and can live anywhere. This helps our local businesses, prices are rising, and low-cost housing projects are also being developed. We should acknowledge that tourism helps all of us.

Charles Townsend reported that Rancho Mirage city hall will have a ballot drop off box in the lobby starting October 5. The lobby is open from 8:00am to 4:30pm, Monday through Thursday. He wished everyone a safe weekend.

Ernesto Gutierrez thanked the CVB staff for all their hard work. He reported that Scott White recently presented the resolution regarding reopening guidelines for groups to the Cathedral City city council and it passed unanimously. With respect to short-term rentals in Cathedral City, the council recently approved a phase-out in R1 and R2 areas. Neighborhoods with HOAs and CC&Rs will be allowed to have rentals and home-sharing. The phasing will take about 2.5 years and will reduce the number of short-term rentals in the city by about 50%. Other updates in Cathedral City: the new Best Western north of I-10 near the corner of Bob Hope and Varner is open. The new \$22 million Lexus dealership is operational. Toyota of the Desert is spending \$8-10 million to take over the site of the former Desert Lexus location. The new Agua Caliente casino will be operational late this year. The Cathedral Canyon bridge is under construction with a budget of about \$25 million. It will take about two years to complete. On October 24th, the city will dedicate a new fire station on Date Palm Drive, just north of the casino location. The old station will be torn down. The amphitheater on Cathedral Canyon is completed and the city issued a conditional use permit for CV Repertory Theater to hold functions there December 2020 through March 2021, if allowed by the state. City council approved a final map for 110 homes north of Ramon Road, east of Date Palm. The Planning Commission approved the development of 144 homes in one project and 325 homes in another. The permitting office is busy and empty lots are filling.

Jan Harnik reported that the City of Palm Desert has a rental assistance program for residents in need. They also heard from people who are not residents of Palm Desert and had to refer them to the County. There is also a "third night free" program with hotels: stay two nights and the third night is free. She thanked Tom Tabler for his involvement. All of these business assistance programs are part of the Unite Palm Desert program: the city has designated up to \$3 million in aid from the city to help residents and businesses. "Carpool Cinema" is happening at Westfield mall for Halloween, with drive-in scary movies in the parking structure. The Gardens on El Paseo will have a haunted house on the 29th and 30th, \$10 per car. For more information, go to DiscoverPalmDesert.com. On October 31, Cruise Night on El Paseo is working with Carter Elementary School to promote decorating your car for Halloween and participate in Cruise Night. The San Pablo "downtown" project is complete, much of it paid for by grants. It is the "family room" for Palm Desert. With respect to COVID-19, the city is moving forward in "disaster mode" working to provide clear guidelines for businesses to keep commerce moving forward, safely.

Gary Gardner reported that business in the small spas in Desert Hot Springs is picking up. The parking lots are full and visitors are returning. The city continues to work with the Coachella Valley Mountain Conservancy and the new Long Canyon Trail will open soon. The city will have a grand opening when the pandemic situation allows it. There is a resolution pending before the San Bernardino and Riverside County Boards of Supervisors for the Sand to Snow designation for the Visitors Center. It will be on their agendas in a week or so. The former CJ Grand Hotel, which was 50-60 rooms, is being redeveloped into Azure Palms, potentially a 5-star property. Looking to open this fall. Housing starts are up. The city opened a new city hall, but meetings are without an audience due to the pandemic. Gardner welcomed Lena Wade and noted he has worked with her on legal matters over the years.

Supervisor Manuel Perez reported that he received the letter from CVB regarding COVID funding. The Board of Supervisors recently discussed how to spend the COVID money, so the timing was perfect. He appreciated the way the letter was written; the county needs to be held accountable, but so does the tourism industry. He will work to get this on the Supervisors' agenda in a couple of weeks. He would like to see the request approved. He noted there has been much talk of re-opening. The County is carefully balancing the concerns of businesses with that of public health. The topic is controversial.

Linda Evans offered to supply the county with amendments or information for their meeting in October to achieve balance between both interests.

Linda Evans noted that the State of the City for La Quinta will be Oct. 15.

CVB BOARD OF DIRECTORS UPDATE (CVB Board of Directors Only Vote)

NOMINATING COMMITTEE (vote) - Todd Hooks, Agua Caliente Band of Cahuilla Indians (Kate Anderson, alternate)

Chair Tom Tabler thanked the JPA and CVB staff for the reopening guidelines. He also thanked Palm Desert City Council for their hospitality assistance program.

Tim Ellis, Chair of the Nominating Committee, introduced Todd Hooks, the Economic Development Director for Agua Caliente Band of Cahuilla Indians. Todd is very well established in the Coachella Valley. He has been nominated to join the Board. As his alternate, Kate Anderson, was also introduced. She is Director of Public Relations for the tribe. Both had to drop off this call, but have decades of experience with government and the private sector.

Jan Harnik moved to accept their nomination and Rolf Hoehn seconded.

Tabler called for the vote. There were none opposed and no abstentions, so the nomination was approved and the vote was unanimous based on the roll call taken at the beginning of the meeting (Harnik / Hoehn).

RESOLUTION NO. BOD 2020-001 – MEETING DATES FOR 2021 (vote)

There was no discussion regarding the meeting dates for 2021.

Tabler asked for those in favor, opposed and abstaining. There were no abstentions or opposed, so the Resolution No. BOD 2020-001 regarding meeting dates for 2021 was approved and the vote was unanimous based on the roll call taken at the beginning of the meeting (Hoehn / Ellis).

RESOLUTION NO. BOD 2020-002 – REOPENING GUIDELINES FOR LOCAL MEETINGS (vote)

There was no discussion regarding the reopening guidelines for local meetings.

Tabler asked for those in favor, opposed and abstaining. There were no abstentions or opposed, so the Resolution No. BOD 2020-002 regarding reopening guidelines for local meetings was approved and the vote was unanimous based on the roll call taken at the beginning of the meeting (Ellis / Hoehn).

BOARD LIAISONS CONTINUING

The CVB Board members who are serving as liaisons for the various departments of the CVB are continuing in their respective roles for the coming year.

UPDATES FROM THE CHAIR

Tabler thanked the CVB team for their hard work and noted that the additional air service is wonderful. He shared that all of the CVB's marketing work is so essential in these unprecedented times. He reported that weekends are starting to pick up, there is somewhat strong demand, and they are getting high rates for September. Weekdays are struggling a bit, but better temperatures are in our future. Groups, which are 60% of their business, are planning now and they need to know whether they can come here, or they will go elsewhere. He thanked the CVB for advocating for safe meetings.

UPDATES FROM THE CVB BOARD MEMBERS

Rolf Hoehn had no specific update from the Indian Wells Tennis Garden.

Aftab Dada had no specific update from the Hilton Palm Springs.

Tony Bruggemans noted that there is a rumor that Le Vallauris is for sale. It is not. They will be open the end of October.

Linda Evans asked about what the travel trends are – would Canadians (or other snowbirds) be returning? Scott replied that he had a call yesterday with Vancouver and WestJet is doing rapid testing at airports. They thought the border would stay closed until the end of the year. He is having a conversation next week with our airport and legislators; Palm Springs would be a great beta test to open Canada/Palm Springs, with rapid testing at the airport. Air Canada is having the same conversations. Testing could be on departure or arrival. Hopefully, our statistics will continue to go down and we'll get borders open. Actually, one can travel, but you have to quarantine for two weeks when you return.

FUTURE MEETING DATE

Friday, November 20, 2020. Location: TBD.

ADJOURNMENT

The meeting was adjourned at 10:32 a.m.

Prepared by:

DocuSigned by:

Revae Reynolds

161AB247E3FB457...

Revae Reynolds
Executive Administrative Assistant

CVB Board of Directors Secretary:

DocuSigned by:

Robert del Mas

54A2842F30C446A...

Robert Del Mas

Approval Date:

November 20, 2020