

SACRAMENTO TOURISM MARKETING DISTRICT

MINUTES

Regular Meeting of the Tourism District Committee

Monday, July 13, 2020

Teleconference/Web Meeting

The original agenda was prepared and posted in compliance with the provisions of the Ralph M. Brown Act noting that committee action may occur on any identified agenda item.

A. Call to Order / Roll Call

Committee Chair David Huber called the meeting to order at 11:02 a.m. and conducted a roll call of the committee as follows:

PRESENT

STMD Committee Members

Zone 1: Nikki Carlson (Vice Chair), Scott VandenBerg, Barry Miller

Zone 2: Royce Pollard

Zone 4: David Huber (Chair)

Sacramento Hotel Association

Teresa Stephenson, Executive Director

Visit Sacramento Staff

Mike Testa, Sonya Bradley, Kari Miskit, Sarah Atilano, Dan Santucci, Elizabeth Anderson (*Recording Secretary*)

Guests

- Rex Inglis, Sacramento Banjo Band
- Megan Blackwell, Metro Chamber Foundation
- Phil Tretheway, Position Interactive

ABSENT

STMD Committee Members

Sami Qureshi

Steve Young

B. Public Comments – Matters Not on the Agenda

Chair David Huber called for public comment on items not listed on the agenda; there were no matters presented. In a related matter, Recording Secretary Anderson shared that Committee member votes will be conducted by roll call.

C. Review and Approval of STMD Tourism Committee Meeting Minutes

1. Regular Meeting – January 13, 2020

There being no changes to the January 13, 2020 minutes, ***Scott VandenBerg motioned to approve the minutes as submitted; Royce Pollard seconded. [Vote: Unanimous]***¹

2. Special Meeting – April 15, 2020

There being no changes to the April 15, 2020 minutes, ***Nikki Carlson motioned to approve the minutes as submitted; Royce Pollard seconded. [Vote: Unanimous]***¹

D. FY2019-20 and FY2020-21 Zone Funding Application for Review or Approval

The following fund application was presented:

1. Zone 1: Southern California Sales Mission (Hyatt Regency and Sheraton Grand) – February 19-21, 2020 (Initial Request: \$3,300)

Presenter(s): Sarah Atilano, Visit Sacramento

Presentation: Jeff Dougherty with Visit Sacramento hosted a Sales Mission with Hyatt Regency and Sheraton Grand. They held several client appointments and focused on the California State Association market. It was a productive sales mission that is normally conducted annually.

Committee Review: Mike Testa shared that if this was approved he would suggest that the money come from the funding that was approved for Visit Sacramento at the Special Meeting in April as the sales mission occurred before that meeting.

MOTION: Nikki Carlson motioned to approve the application as submitted; David Huber seconded. [Vote: Unanimous] ¹

2. Zone 1: Spirit Wings (Metro Chamber Foundation) – 2020 (Initial Request: \$40,000)

Presenter(s): Megan Blackwell, Metro Chamber Foundation and Phil Tretheway, Position Interactive

Presentation: Blackwell and Tretheway shared a PowerPoint presentation of the unique, walkable art installation Spirit Wings. Blackwell shared that it would span the distance from Old Sacramento Waterfront to the SAFE Credit Union Convention Center. Blackwell noted that multiple local organizations have partnered with the Metro Chamber Foundation to bring this installation to fruition. A total of 32 artists applied and Garr Ugalde was the selected artist.

Tretheway commented that this is an experience that would be unique to Sacramento. The current plan is that a crane would be at the Old Sacramento Waterfront and would be the first sculpture. The goal is to have a total of 14 sculptures, and they would appear on each block heading to SAFE Credit Union Convention Center.

Tretheway continued that some of the sculptures are ready to be installed and the \$40,000 grant would allow the project to be completed. Blackwell shared that this is a sustainable installation and the plan would be for the sculptures to be installed overnight and have people discover them the next day. Blackwell and Tretheway opened the floor to questions.

Testa asked about the cost of each individual sculpture. Blackwell shared that they are more than \$5,000 each and that includes the installation and permitting.

Chair Huber asked about the size of each sculpture. Tretheway reported they are all three feet tall and weigh less than 20lbs, which helps with the permit process.

Scott VandenBerg asked if a brochure would be created for visitors. Tretheway commented that there will be a webpage, brochure etc. The plan is to not publish everything so that people can discover them on their own.

Committee Review: Nikki Carlson shared that this is a great idea, but that \$40,000 is a significant amount of funding considering the current economic situation due to COVID-19. VandenBerg agreed and reported that the Hyatt participated in the first seven sculptures and the property has one sculpture that will be attached to the hotel. VandenBerg asked Testa if

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Visit Sacramento had participated in this earlier phase of the project. Testa shared he believed Visit Sacramento had participated in the first phase. Vandenberg suggested supporting the program in a different way such as with the brochures and combining it with the Mural brochure. Testa shared that he likes this idea especially during the shelter-in-place order and suggested that it would be better to partner with them later down the road.

MOTION: Barry Miller motioned to decline the application as submitted; Nikki Carlson seconded. [Vote: Unanimous]¹

3. Zone 1: Old Sacramento Ragtime-Banjo-Dixieland Jubilee (Sacramento Banjo Band) – October 2-4, 2020 (Initial Request: \$9,000)

Presenter(s): Rex Inglis, Sacramento Banjo Band

Presentation: Inglis shared that the purpose of the Jubilee is to bring live music back to the Old Sacramento Waterfront. He also shared that the event has changed its name to Roaring 20's Jubilee. The event will have a mix of Jazz Bands, Banjo Players and Ragtime Piano players. They will be located at restaurants, businesses, and visitor attractions.

Inglis added that they have booked a room block at the Vagabond Inn and the hotel is called the Jubilee Central. Inglis continued that they are requesting money for advertising and that the original request was for \$9,000 and he would like to reduce the request to \$5,000 as they have changed their original advertising plan which reduces the cost.

Testa asked how COVID-19 will impact the event. Inglis shared that the event will depend on if the musicians can perform based on County Health Department regulations. If they are not able to hold the event this year, they will postpone it to 2021.

Committee Review:

Testa commented that he does not believe this event will happen in 2020 unless it is fully outdoors and has many regulations for participants.

MOTION: Nikki Carlson motioned to decline the application as submitted; Barry Miller seconded. [Vote: Unanimous]¹

4. COVID-19 Cancelled Events

Events that had been cancelled due to COVID-19 did not have their applications reviewed. These applications were listed on the agenda for committee review.

E. Zone Funding Reports and Post-Event Recaps

1. Zone Funding: The committee reviewed the following reports:

a. Zone Funding Summary and Detail as of June 30, 2020.

Daniel Santucci reviewed the reports and reminded the committee that this is now one report for the fiscal year. Testa added that the Visit Sacramento team has been discussing the negative numbers and that the budget is just a forecast on what staff knows at this moment. Testa shared that Visit Sacramento is holding a portion of the grant STMD gave the DMO in April 2020 in case Zone 1 and Zone 2 come up with a negative funding amount.

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VandenBerg asked about the Visit Sacramento money and Testa clarified what was approved at the April Special Meeting and noted that the difference will be known once payments have been made. Santucci shared that some events and hotels have not claimed their funds and that those could possibly go back into the balance.

VandenBerg and Santucci discussed the prorated portions based on zones of the Visit Sacramento funding. Testa added that if there is a compelling application that needs funding and it should be taken from the approved amount given to Visit Sacramento, with the committee making that decision. Testa noted that Visit Sacramento will share what it is proposing to use the STMD approved funding for before it is spent, and that the budget has a cushion in case anything changes.

2. Post-Event Recaps: None to Review

F. Review, Discussion and Approval of the STMD Portion of Visit Sacramento's Draft Budget for FY 20/21

1. FY 2019-20 Budget Summary

Testa shared the following budget highlights:

- Page one shows the affects that COVID-19 has had on Visit Sacramento with a 52% reduction in budget
- Administration Department has a small amount of money left for monthly board meetings if the board can meet in person again at some point of Fiscal Year 20/21
- Marketing Department has a large reduction of salaries and payroll, overall payroll reduction for the organization has been approximately \$2 million
- There is a heavy focus on convention sales and citywide compression
- Annual Media Sales Mission has been significantly reduced
- Destinations International show in Washington D.C. has been reduced by half as fewer staff members will attend the show
- Media Familiarization Trips – Visit Sacramento is working to ensure trade media will come to Sacramento for the opening of the convention center and that money is coming specifically from the STMD funding that was approved in April 2020
- Ad Placement in Sac Magazine is specifically for the hard cover books that Visit Sacramento contractually must produce
 - The committee shared that due to COVID-19 all collateral is required to be removed from the hotels rooms and suggested using a QR code instead
- Lou Hammond Contract reduced greatly and is set to only cover two months of the contract. If CARES grant funding is received, this contract will be added back to the budget
- Visitor Center - There is a call in to reduce the contract, which is allowed, since it is uncertain how many people will be patronizing the visitor center this year
- Sports Promotion is the loft suite at the Golden 1 Center which is shared with three other partners. One of the partners is no longer going to utilize the suite and the reality is that Golden 1 Center has not charged Visit Sacramento and we do not know when they will begin charging again

- Youth Sports Facility is the Huddle Up Group report that was started prior to COVID-19 the amount on the budget is the remaining payment due
- Convention Sales – Sarah Atilano shared that RCMA is being held in Sacramento in 2022 and that there were multiple commitments to the 2021 show and that amount is in the budget
- Cancelled shows have been removed
- Testa shared that the Ad Placement section, where the core of the STMD funding was applied, allows Visit Sacramento to enhance those line items. The SAFE Credit Union Convention Center is important for the city and it is important that the facility is properly promoted. Testa added that this is also being explained to the city leaders/staff who want to make Visit Sacramento “whole” again for this year and Visit Sacramento staff continues to share that staff works in future years
- Travel Industry Sales almost completely reduced to zero. Sonya is leading the charge for that group as well. There is a little bit of money where it is needed to remain present in the market and not have to rebuild from scratch when international travel returns.
- Partner Marketing – Private revenue is a target and the contract with Rick Brown goes through October 2020. Visit Sacramento wants to keep him on contract so that we can ensure when we have the opportunity again for private revenue, he is available
- Community Relations – It is unclear how Visit Sacramento would be able to do the Annual Lunch. Based on the Bylaws it had to occur before the end of June 2020 and there is nothing in the budget for it this year. Working with Visit Sacramento lawyer to confirm that this is okay due to COVID
- Farm-to-Fork - Nothing is budgeted for these events, it has not yet been announced but the festival, Legends of Wine and The Tower Bridge Dinner are being cancelled. The Entercom contract that was also budgeted for three years long and this is the last year. Entercom is being supportive and helping with other campaigns.

Staff concluded the presentation by sharing the state of travel in terms of leisure will be the local and drive market based and the sentiment of travelers will be monitored. Miskit added that partners of Visit Sacramento have also helped by providing significant discounts.

Additional Questions on the Budget:

- Chair Huber asked if the Huddle Up Group report will be a Pre- or Post-COVID look, David Eadie shared that most of the data is pre-COVID, but will speak to the consultants about how COVID has changed the data and influenced the report
- Pollard asked what quarter the tradeshow occur. Atilano shared that the team planned for no travel for the remainder of 2020 unless a show that already has funding towards it is still held. Atilano added that when looking at shows for January to June 2021 the funding was kept as intact as possible, but the number of staff attending was reduced
- Testa asked the committee if they agree with the strategy of safeguarding the future? Huber agreed with this strategy and asked if the funding in the familiarization tour is enough money to bring media/clients in, in a timely manner?

Testa shared that part of what has been discussed is that if Visit Sacramento is able to continue the Lou Hammond contract that media familiarization tours would go through them and that funding.

- Testa shared that part of the issue with the CARES Act funding is that it will most likely have to be spent by the end of calendar year 2020.
- VandenBerg asked if the reduction in salaries and wages for Convention Sales was for multiple cuts? Santucci shared that the Convention Services Manager and one Convention Sales Coordinator was laid off. Atilano added that the furlough reduction and no bonuses this year have also reduced this line item. VandenBerg asked if they planned to bring employees back? Testa clarified that no Sales Directors were let go only administrative positions. Santucci shared that the Zone Sales dollar amount is strictly 10% of the 100% that is being projected from STMD for the City and the County and if the STMD money comes in higher those numbers will increase.

MOTION: Scott VandenBerg motioned to approve the budget as submitted; Barry Miller seconded. [Vote: Unanimous]¹

G. Future Meetings and Agenda Items

The next regular meeting of the committee will be October 19, 2020 at 11:00 a.m.

H. Adjournment

Chair Huber adjourned the July 13, 2020, meeting at 12:31 p.m.

Roll Call Votes	January 13, 2020 Minutes		April 15, 2020 Minutes		Application: Southern CA Sales Mission		Application: Spirit Wings		Application: Old Sacramento Ragtime-Banjo-Dixieland Jubilee		FY 20/21 STMD Portion of Visit Sacramento Budget	
	Yea	Nay	Yea	Nay	Yea	Nay	Yea	Nay	Yea	Nay	Yea	Nay
Committee Member												
David Huber	X		X		X		X		X		X	
Nikki Carlson	X		X		X		X		X		X	
Scott VandenBerg	X		X		X		X		X		X	
Barry Miller	X		X		X		X		X		X	
Royce Pollard	X		X		X		X		X		X	
Steve Young	Absent		Absent		Absent		Absent		Absent		Absent	
Sami Qureshi	Absent		Absent		Absent		Absent		Absent		Absent	

¹Roll Call Votes on Page 6