

# MINUTES



**Meeting:** Board of Directors  
**Meeting Date:** April 18, 2019 ▪ 12:00pm  
**Prepared By:** Elizabeth Anderson

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

## I. Call to Order

A meeting of the Board of Directors of Visit Sacramento was held at Mulvaney's B & L, Next Door in Sacramento, CA. Board Chair Scott Vandenberg called the meeting to order at 12:11pm. It was established that a quorum was present, and the following attendance was recorded:

### PRESENT

#### Directors

Alex Rodrigo  
Emily Baime Michaels, *Ex-Officio*  
Henry de Vere White  
Joe Chiodo  
Phil Garcia  
Patrick Mulvaney  
Rick Pickering  
Royce Pollard  
Sami Qureshi  
Scott Vandenberg, *Board Chair*

Christine Calvin  
Shelly Moranville  
Terry Harvego  
Dennis Raymond, *Treasurer*  
Josh Nelson  
Kathleen Gilbey  
Nikki Carlson  
David Huber  
Doug Warren, *Past Chair*

#### Industry Advisors, or Their Designees

Matt Voreyer, *Sacramento Convention Center*  
Jody Ulich, *City of Sacramento*  
Mark Davis, *Sacramento County Airports*  
Darrell Steinberg, *Mayor, City of Sacramento*

Kelly Rivas, *City Mayor Chief of Staff*  
Amanda Blackwood, *Sacramento Metro Chamber*  
Hector Barron, *City of Sacramento*  
Kim Nava, *County of Sacramento*

#### Guests

Michael Jasso, *Assistant City Manager*

#### Visit Sacramento Staff

Mike Testa, *President & CEO*  
John Reyes, *Chief Operating Officer*  
Sonya Bradley, *Chief Marketing Officer*  
Sarah Atilano, *Chief of Strategy & Market Growth*

Kari Miskit, *Vice President of Communications*  
Dan Santucci, *Director of Accounting*  
Elizabeth Anderson, *Convention Sales Coordinator (Recording Secretary)*

### ABSENT

#### Directors and Industry Advisors

Michael Ault  
Bay Miry  
Lance Richard

Nav Gill  
Howard Chan  
Steve Young

**II. Public Comments – Matters Not on the Agenda**

Board Chair Scott VandenBerg called for public comment on items not listed on the agenda; there were no matters presented.

**III. Approval of Board Meeting Minutes: July 19, 2018**

There being no changes to the July 19, 2018 minutes, *Patrick Mulvaney motioned to approve the minutes as presented; Doug Warren seconded. [Vote: Unanimous]*

**IV. Approval of Board Meeting Minutes: January 17, 2019**

There being no changes to the January 17, 2019 minutes, *Shelly Moranville motioned to approve the minutes as presented; Sami Qureshi seconded. [Vote: Unanimous]*

**V. Approval of Board Meeting Minutes: February 21, 2019**

There being no changes to the February 21, 2019 minutes, *Doug Warren motioned to approve the minutes as presented; Royce Pollard seconded. [Vote: Unanimous]*

**VI. Presentation: Mayor Steinberg**

Mayor Steinberg began by thanking the board, Mike Testa, and the Visit Sacramento team for their hard work. He understands that there is still a long way to go and a tremendous amount of work ahead but feels that as a city we are elevating ourselves and good things are happening.

Mayor Steinberg then thanked Assistant City Manager Michael Jasso for bringing a new economic development passion to the city. He then informed the group that the Board of Directors for Major League Soccer were currently in a meeting in Los Angeles discussing new teams to be added to the MLS. He did not expect a public announcement immediately.

The Mayor continued that he has been in touch with MLS and was asked by the group what the odds are of Sacramento getting a Major League Soccer team and he shared that he thinks there is an eight out of ten chance. He shared that in 2017 when the city last tried to get an MLS team the league was very honest in why Sacramento did not get a team. MLS stated in 2017 that Sacramento lacked a major capital investor.

Since then the Mayor and his team have quietly worked to try and find the right investor. They met with many people and finally Ron Burkle was the right match, he is the current co-owner of the Pittsburgh Penguins and works in the grocery business.

Mayor Steinberg then moved on to discuss the Old Sacramento Waterfront and shared that in two weeks they would be making an announcement around the changes that will be happening. They have been wanting to do this for decades but did not have the money to do so until now. He stated that the Board could take credit for this due to the work they have done with the City over the last few years and how Visit Sacramento and the Board have stepped up. He added that Visit Sacramento's work to get the \$50 million for the ballroom was able to open approximately \$40 million to invest in other destination amenities.

The Mayor shared that he is very excited for everyone to see the idea's that have been submitted for the waterfront. He believes it has the essence of San Antonio and the Warf in DC. They will be able to maintain the historic elements and still modernize it at the same time. He will be motioning the City Council on April 30, 2019 to direct the first \$30 million or so of the destination fund to be put towards the Waterfront. He added that they are not waiting another five years to decide what to do.

Mayor Steinberg continued that he has spoken with leadership and Mike Testa regarding Measure U. He shared that there will be some tough times ahead as some people want this money to go to more traditional interests and he does not want that. His goal is that this money will be specifically set up for capital funds to do more with the Waterfront, Convention Center, Neighborhood boosters, art and culture. This is what the city needs

He added that this will all begin on April 30<sup>th</sup> when the City Manager releases his budget. It will focus on how we use the funds and commit to building a broader tax base. Public safety is still number one, but if we do not build a better tax base in the city, we won't be able to support it. We can do more to provide better opportunities for everyone and Mayor Steinberg thinks this is the right thing to do for the city and it is why he asked to raise taxes by another half cent.

Doug Warren thanked the Mayor and asked if additional Sports Fields and the tax base they bring was thought about and where do they see this moving forward?

Mayor Steinberg responded that when he talks about capital funds, he is speaking regarding development that increases the tax base and tourism. Increasing youth sports is a priority. He wants Sacramento to be a hub for sports. He understands other cities have more wealth which allow them to have larger sports centers. Sacramento has never had the capacity to really do this which causes tournaments to go elsewhere. He added that he wants to create a sustainable source of economic resources so that we can do this. He then added that in the MLS negotiations that additional fields and training centers were discussed.

Testa shared that he was glad Warren asked the question. Continuing that he thought that one of the challenges that the Mayor has had is because of so much Downtown investment. Testa believes we can invest in a part of the community who has not been invested in to the level of downtown and it offers opportunity for those disadvantaged communities. It will allow the Mayor to say to council members that we are investing in their districts as well. Whether the money comes from transient occupancy tax, Measure U or elsewhere, arming the Mayor with data is the best thing we can do.

Shelly Moranville thanked the Mayor and spoke to the changes on 12<sup>th</sup> street and how it is no longer an eye sore and she was very happy and thankful. Mayor Steinberg stated that he was glad to hear this and he knows that he has not mentioned the homeless yet. He continued that in the Sacramento Bee they announced a 108 new triage beds being added. They want to increase this to 800 beds as this would equal approximately 2,400

beds because there would be a transition to sustainable housing at least three times a year.

He continued that they are trying to create a system that will get thousands of people off the streets. Money is tight and his colleagues put in \$15.7 million and we are getting a lot of state and private money. It is not cured, but at least it is a little bit better. Cal Expo has been working with us as well. We are trying to spread this out through the city so not just one area or neighborhood must take it all on. He added that Capitol Park will be up and running by the summer as it is turnkey ready.

**VII. Presentation: Assistant City Manager Michael Jasso**

Chair Vandenberg introduced Assistant City Manager Michael Jasso to the Board. Testa added the Jasso has been in Sacramento for approximately one year and came from Chicago, IL and has brought a valuable to new eye to Sacramento.

Jasso shared that he appreciated being invited to the meeting and is honored to work with the Mayor and City Manager. He believes city leadership sets a course for the city and he was excited to work with the leadership in Sacramento. He shared that he wanted to come today to introduce himself and speak about his economic development plan.

He shared his background with the group including that he most recently worked in Cook County, which has the second largest population after Los Angeles. Coming to Sacramento was a new opportunity and he has never lived in California. He shared that great cities take on a lot of different things. He spoke to someone when he moved to Sacramento who said that Sacramento has a lot going for it, but downtown is done and now the neighborhoods needed to be revitalized. His response was that the neighborhoods needed to be revitalized, but that it is not one or the other. It is a framework of how projects are thought about and how they expand inclusivity. Neighborhoods are extremely important, and it is the economic and cultural heart of the region.

On a recent trip to China with Mayor Steinberg, Jasso learned that outside of our area no one truly understands the difference between Sacramento and West Sacramento, to them it is all the Sacramento region.

Jasso shared that over the last year they have worked on economic development on the Waterfront, Major League Soccer and many other items. Great cities all over the world are defined by lakes, rivers, and shorelines. He believes that this can be built on at the Waterfront. They are in the process of bringing together a team and creating an economic development plan for the city. It is to be meant to bring everything into one place to see the value and opportunity. A framework is being built with an advisory council who is providing guidance as programs and policies are made.

In the upcoming budget we have a very expansive request for economic development. We would be doing things that are instrumental for the city. Jasso continued that economic development is more than the confines that fall under him and the city. His role is siloed in Sacramento and he wants to break out of that and think outside of the box. A huge

movement for Sacramento is that Sacramento International Airport was expanded, and we need to be better at sharing the story, so people understand.

Testa added that Jody Ulich has been a champion and Matt Voreyer is one of the best in the Business. He wanted to ensure that the important people on the Cities team were recognized. Jasso thanked Testa for adding that.

The floor was opened to questions which are listed below:

- Chair VandenBerg – The Mill project has specific ideas for the Waterfront, as well. How does that play into the Waterfront project that in is Old Sacramento? Or is it a competition?
  - Jasso – It is not a competition and it is very important. We started with the idea on expanding our asset to the other side of the river and to DOCO as well. Jasso clarified that when he says Waterfront, he means the broader area of the Waterfront including both sides of the river as both sides are a core of the urban region and we need to work with our partners on the other side.
- Chair VandenBerg – Is the home development and park through TBID?
  - Jasso was not sure; he did know that West Sacramento has taken advantage of legacy redevelopment and it may not be the whole amount.
- Phil Garcia – Are all these committees working together?
  - Jasso shared that all the committees were complimentary. The Measure U committee is for the accountability for those funds. Economic Investment Committee is to help develop things moving forward. He shared an example that a Small Business Loan program would start with city staff, then authorized to Council with Measure U Investment committee level. The members will be cross-pollinated as well and there will be co-staffing.
- Mark Davis thanked Jasso for bringing up the airport as a major asset and shared that when working in Houston and Dallas that they promoted the economic impact of the airport in those cities. In Sacramento you only have a few people, who know and promote what the airport does. How can we do better at this?
  - Jasso mentioned the Greater Sacramento Economic Council as a partner has used the expansion and rankings of the airport as we grow. As a city moving forward, we know the importance of airports and that is clearly what needs to be front and center and as a region this helps to make a difference.
- Rick Pickering – What does Cal Expo and the State Fair do vs the World Fair in Chicago.
  - Jasso – The first World Fair showed a city could be rebuilt after burning down. A city can showcase itself to the world and it is important. We know that California has assets, but it is challenging due to regulations. As a city we need to say that we are a good place to be.

Jasso added that anything that allows us to give exposure to a larger audience is beneficial. His perception before coming to Sacramento is that he didn't have one because he didn't know anything about Sacramento. He continued that this is not a bad thing because it was not a bad taste in his mouth coming in. Now Sacramento needs to get on the map and to do that you need to have the resources and we have great protentional and need to build on that.

**VIII. Chair’s Report**

Chair Vandenberg stated he did not have a separate report and would comment on item’s in the President’s report.

**IX. President’s Report**

**A. STID Update**

Testa shared that in previous meetings he had discussed the lawsuit from an Airbnb operator. Currently they have reached a settlement with the plaintiff and it is going to a judge. This process will take six to eight weeks to be approved. Visit Sacramento is financially protected, though a payment will be approved annually by the City Council, and the settlement will last the 30 years of the bond. The ballroom will be built, and we are still headed in a good direction, once it is final, he will let everyone know. Warren asked if the contribution changed and Testa confirmed it did not.

**B. 2019 Goals**

Chair Vandenberg shared that Sarah Atilano and the team did a great job with setting the goals this year based on history and what is possible. There was a lot of participation from the board in reviewing the goals and he thanked those who participated. He added that the goals are aggressive, but he believes they are good goals.

Atilano thanked those who participated as it was very valuable to have everyone participate in goal setting including seeing the analytics that are looked at when building a strategy and what it takes to book a citywide convention.

Atilano continued that the two-key items from the goals is Production vs Consumption. Production is when Visit Sacramento receives a contract, production will always be for a future period. Consumption is when the group arrives and utilizes what was booked. Production and Consumption were the focus with the board.

In early March Christine “Shimo” Shimasaki came in to help set the strategy for future years. Dr. George Fenich was also in attendance to review the reports we had commissioned showing how we measure nationally to other convention cities. At this meeting we gathered recommendations from those who came, and these are the goals that we came together with:

**CONVENTION SALES, SPORTS COMMISSION, TOURISM/CONSUMER, PRIVATE REVENUE**

	<b>2019 Annual Goal</b>	<b>2019 Stretch Goal</b>	<b>2019 Stretch Goal #2</b>
Convention Sales Room Nights	190,000	192,500	195,000
Total Sports Commission Goal	125,000	127,500	130,000
Tourism/Consumer	70,500	74,025	76,245
<b>Combined Room Night Goal</b>	<b>385,500</b>	<b>394,025</b>	<b>401,245</b>
<b>Private Revenue</b>	<b>\$2,800,000</b>	<b>\$2,900,000</b>	<b>\$3,000,000</b>

**2019-2026 TAP CONSUMPTION BENCHMARK GOALS CONVENTION SALES & SPORTS  
COMBINED\* MUST BE AT 100% OF CONSUMPTION BENCHMARK FOR FUTURE YEARS**

2019	2020	2021	2022	2023	2024	2025	2026
230,000	200,000	230,000	280,000	280,000	280,000	280,000	280,000

*\*Benchmarks will be re-evaluated after final completion of expansion 2021 for future years.*

**PUBLIC RELATIONS**

1. Secure 15 or more media briefs or features that highlight the convention center expansion
2. Establish a new media newsletter or similar vehicle that leverages our video/digital content and enhances our position with media as a consistent supplier of engaging story topics (also reinforces our role as cutting edge in the content space)
3. Identify and facilitate at least two speaking engagements for Visit Sacramento leadership that shares our message with a broader list of stakeholders outside of our regular contacts or industry
4. Complete a minimum of 6 meetings with targeted journalists during annual New York media mission.
5. Total number of 575 media stories/mentions

Atilano continued that these are very aggressive goals, especially going into a year where the center is not going to be open. Testa added every goal that was set will be a record when achieved. None of the goals went down and with the center closing it is nerve racking as some meeting planners have said they don't want to book any business until the center is reopened. Sports and leisure travel will make up some of the gaps and we are confident we will make the goals.

Chair Vandenberg added that contracting with Shimo was a good move as looking at the analytics was very helpful. He added that the SF Travel sales contract will also help as they are sending in leads, we would otherwise not have access too.

C. NYC Media Trip

Kari Miskit shared that her and Testa went to New York and that they worked with Visit Sacramento's PR Team, Lou Hammond Group, in New York to organize the meetings. Michelin was very top of mind in the meetings and the role Visit Sacramento played was discussed. Testa added that it is amazing how the food writers reacted when you they discussed Michelin.

Miskit continued that there were also many great conversations about the convention center expansion and renovation. Additionally, many were interested in Patrick Mulvaney's mental health program. We will hopefully be able to get everyone we met with to come to Sacramento so they can experience it themselves.

D. Marketing Update

Sonya Bradley started by discussing an update on the branding campaign with MisFit. The campaign concepts have been approved and will be officially launch at the Annual Lunch in June. They have already set up media buys and the next step is the photo and video shoots.

Bradley continued with a Convention Center expansion update and the work that is happening with Digital Edge. Over 50 leads have been received through the promotional campaign that Digital Edge is running. The promotion ends in June and a winner will be selected to come to Sacramento for a site visit and will get to select one prize from a list of five. All these leads are qualified and are helping to drive self-contained business.

Bradley then discussed entering the China marketing front and informed everyone an agency has been hired. Visit Sacramento is now on China's two top social media platforms, WeChat and Sina Weibo.

Bradley continued that we also attended the Active America tradeshow and were able to make appointments with 25% of the attendees. The IPW convention will be in Anaheim, CA in June. It is a convention of International Tour Operators as well as media. Visit California will be doing an activation in the plaza of Anaheim Convention Center and we will be apart of it thanks to STMD funding. The entire plaza will be only California based organizations. Bradley also shared that there will be a post IPW Fam where attendees will fly into Sacramento International Airport and stay in Sacramento for one night then go to other locations. During the IPW event the Michelin Guide will also be announced, and we should find out if we have received any stars.



E. Hotel NETMA Meetings

John Reyes shared that NETMA stands for “Nobody Ever Tells Me Anything”. It is how we are communicating to stakeholders and it began due to the expansion and renovation. The meetings are focused on sharing with the hotels what we are doing and how we are doing it. We have broken the meetings into the four STMD zones so that we are able to ask the hotels what we should be doing specifically for their zone. The focus is on quarter four of 2019 and all of 2020. The key to these meetings is the communication and that we are engaged with the hotels. Reyes then thanked the hoteliers that had attended.

Warren added that he supported Reyes and attended the Zone 2 meeting. People showed up that normally don’t and they were very engaged in the meeting. We also had a lot of people following up with more questions and I think this was a great way to get them together as they won’t come to us otherwise.

F. New Board Member Discussion

Testa shared that he had two potential new board members that he has presented to the executive committee and they would like to move forward in adding

Mable Salon – Was previously on the board and took last year off to work on some projects. She is with UC Davis and has been a great supporter and we would love to bring her back

Heather Andrade-Neumann – Works for Golden 1 Credit Union. Her background is in Silicon Valley, Golden 1 Credit Union has been a committed partner to Visit Sacramento and this appointment will only strengthen that relationship.

Testa added that the board will always be a majority of hoteliers, but it is also important to bring in those from other areas as well to provide a different level of vision.

***Motion: Rick Pickering motioned to approve the both new board members as presented; Christine Calvin seconded. [Vote: Unanimous]***

G. Misfit Contract Approval

Testa shared that a contract with Misfit was signed for \$145,000 and full board approval is needed, the executive committee has already approved the contract. The contract is for what Sonya previously spoke about in the marketing update. We are spending more on marketing than we have before, and it is important for leisure travel and the convention market.

***Motion: Doug Warren motioned to approve the Misfit contract as presented; Sami Qureshi seconded. [Vote: Unanimous]***

H. Contracts and Bylaws

Testa shared that for the last many years that Visit Sacramento has been getting marked down in the audit for not getting approval on larger contracts. For example, Michelin was \$100,000 and according to the policy we needed board approval even though this was in our budget which was approved by the board of directors. Testa asked the executive committee that for budgeted items to remove the permission needed if it was previously budgeted for.

VandenBerg clarified that it would be changing the policy not the bylaws; currently Testa can approve contracts up to \$50,000, the executive committee can approve from \$50,000 to \$100,000 and contracts over \$100,000 require board approval.

The only changes being requested is that when we budget for a contract over the amount Testa can approve, that we do not need a full board approval. We review the budget with the board each year and it is approved in that meeting.

***Motion: Shelly Moranville motioned to approve the policy change as presented; Josh Nelson seconded. [Vote: Unanimous]***

I. Amgen Tour of California

Testa shared that the Amgen Tour of California overall start will take place on Mother's Day, May 12<sup>th</sup>. The riders will start to come to town a couple of days early to prepare. There is some VIP access passes available and he asked the Board to let him know if they were interested in attending. Terry Harvego asked about logistics and timing and Testa shared that there is a schedule and he will get it sent out.

Christine Calvin shared that this is the same weekend that the Crocker Art Museum will have the Antique Roadshow in house. The show will air sometime in 2020.

J. Staff Reports

None to Report

X. **Committee Reports**

Treasurer Dennis Raymond shared the below information for the Finance/Executive Committee:

- YTD as of March 31<sup>st</sup> – Net Income of \$1.4 million
  - Well ahead of budget of \$300,000 for same period
  - \$200,000 Below Last year same period
- Expenses are up this year compared to last year in the amount of \$900,000
  - Due to the additional spending on marketing and convention sales
  - Expenses are still \$750,00 less than budgeted
- Revenues are higher than budgeted
  - Budget \$300,000 – Actual \$700,000
- Cash Position \$1.7 million
- Total Liability \$1 million which is all accounted for
- Very Favorable in Net Assists of \$2.6 million including the office building at cost
- Estimated value is \$2.1 million, Total Liability \$1 million, Net Worth \$4 million

**XI. Staff Board Reports**

The February and March department report was e-mailed to the board for their review prior to the meeting.

**XII. Calendar of Events**

Chair VandenBerg went over the upcoming events that were listed on the Agenda.

Testa added that the Annual Lunch is coming up in June. As a board we are asking you to support the lunch and be in attendance. We would also like for you to not just purchase a single ticket, but a table like you would for the Downtown Sacramento Partnership breakfast and Greater Sacramento Economic Council Annual meeting. We increased attendance last year and Testa's one ask is to show up and show up in force as we would greatly appreciate that support.

**XIII. New Business**

Rick Pickering shared that the Second Annual Recreation Cannabis event was taking place at Cal Expo on Easter weekend. Also, State Fair dates and concerts have been announced and they are 32% ahead of advance ticket sales. He added that they have been working with Mayor Steinberg on the homeless issue and the space being discussed on the news as at Cal Expo and it is on Ethan Way across the street from Cal Expo. This did worry some people at first and they have calmed them down, but it is still an ongoing discussion. Pickering continued that they have had many people speaking with groups that are booked at Cal Expo to ensure them that they are involved in the dialogue. Pickering added that several state agencies and the administration are also involved, and it hasn't been a fast process, but the dialogue with the city is good. The space is on the border of the County, City, American River Parkway, Cal Expo and flood property. There are a lot of questions to still be discussed, but contrary to what you see in the press it is moving forward in the process.

Joe Chiodo reminded everyone that the Best of Sacramento Party was moved from December to June due to the convention center expansion and he would deliver tickets to Elizabeth with Visit Sacramento to distribute.

**XIV. Adjournment**

Board chair Scott VandenBerg adjourned the meeting at 1:25pm.

Respectfully submitted,



Elizabeth Anderson  
Convention Sales Coordinator  
(Recording Secretary)



Mike Testa  
President & CEO