

MINUTES



Meeting: Board of Directors
Meeting Date: February 21, 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 DoubleTree by Hilton in Sacramento, CA. Board Chair Scott Vandenberg called the meeting to order at 12:14 pm. It was established that a quorum was not present, and the following attendance was recorded:

PRESENT

Directors

David Huber
Henry d Vere White
Joe Chiodo
Scott Vandenberg, *Board Chair*

Kathleen Gilbey, *Secretary*
Royce Pollard
Terry Harvego
Doug Warren, *Past Chair*

Industry Advisors, or Their Designees

Michael Ault, *Downtown Sacramento Partnership*
Matt Voreyer, *Convention Center*

Mark Davis, *Sac County Dept of Airports*
Jody Ulich, *Director, Convention & Cultural Svcs*

Guest(s)

Dion Dwyer, *Downtown Sacramento Partners*
Norm Leong, *Police Captain*

Visit Sacramento Staff

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

Dan Santucci, *Director of Accounting*
Mike Sophia, *Director of Sports Commission*
Joline Pudoff, *Convention Services Manager*
Elizabeth Anderson, *Convention Sales Coordinator*
(*Recording Secretary*)

ABSENT

Directors and Industry Advisors

Alex Rodrigo
Bay Miry
Christine Calvin
Shelly Moranville
Dennis Raymond
Josh Nelson
Lance Richard
Nikki Carlson
Patrick Mulvaney

Phil Garcia
Rick Pickering
Sami Qureshi
Steve Young
Emily Baime Michaels
Amanda Blackwood
Howard Chan
Nav Gill
Darrell Steinberg

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 and January 17, 2019

Minutes were not approved as there was not a quorum present. They will be reviewed at the April meeting.

IV. Chair's Report

Vandenberg welcomed Terry Harvego to his first board meeting. He then emphasized the importance of the upcoming Goal Setting Committee Workshop on March 11, 2019. He clarified that this year the board would only have the executive committee and the goal setting committee. He continued that it is very important for hoteliers to attend as well as anyone else who would like a better understanding of what Visit Sacramento does.

V. President's Report

A. Sacramento Police Department Update

Mike Testa introduced Sacramento Police Captain Norm Leong and Dion Dwyer from the Downtown Partnership. Testa discussed the Mayor's State of the City address and mentioned that the report on the officers involved in the Stephon Clark case would be released soon. Testa continued that he wanted to bring in the Captain to talk about what could happen once the announcement is made. He then turned over the floor to Dion Dwyer and Captain Leong.

Dwyer started regarding hotels and let everyone know that Downtown corridor hotels will need to have a point of contact for all times of day so that they could communicate what would be happening in their area. They want to ensure that they have the correct contacts identified on the properties that might be affected. This is so they can get a correct estimate of the number of individuals on property and to provide any advice on how to handle situations that may arise, including basic protocols. They are encouraging each property to have an action plan of what to do and who is responsible for guest safety. He added that with the communication strategy in place they would be sending out further education next week to businesses.

Captain Leong noted that they did not have a firm date on when the announcement would take place. He thought that the announcement would be soon and most likely occur on a Friday afternoon. Captain Leong continued that they would be staffing a model that would handle the presence that is expected. He added that there were two parts to the announcement the first being the District Attorney's decision and the second being the Attorney General Office findings. These could be announced on the same day or further apart.

Last week they had a small protest and they walked on the light rail tracks. We know last year people did not want to come to certain areas downtown due to not feeling safe.

We have staffed many officers to make sure damage does not occur. They will also be at Golden 1 Center to ensure egress is followed and events can happen.

The Captain continued that they are taking the decision very seriously and their goal is freedom of expression and to allow protestors to share their feelings. He noted that Sac PD have been very successful in the past, except for the arena situation last year and that they learned from that experience. The biggest impact will be the traffic based on moving people on the grid. If this does not occur during rush hour on a significant street, we will want to give them the time move down the street.

Sarah Atilano asked Dwyer about the text and email communications and how everyone can get on the list. Dwyer clarified that information had been previously sent out and if anyone would like more information, they can email Visit Sacramento who can then forward to Dwyer.

Dwyer clarified that the need is for one point of contact for each property to make sure if anything develops that they can get the information out as soon as possible. This would include the direction the protestors were walking. It was very fluid last time and worked well. The last time this occurred they were in the Old Sacramento Waterfront district for a long time. It is important for businesses to talk to employees and let them know what to expect.

Testa recognized Dwyer, Ault, Captain Leong and the Sacramento Police Department for the communication they have provided. We appreciate the open dialogue and keeping this industry aware, because it has not always been this way.

B. Project M

Testa shared that M stands for Michelin, as we discussed previously, they are looking at Sacramento restaurants and the inspectors have already been in town. The guide will come out this summer. The highest rating is three stars and is the hardest to get. There are eight Michelin rated restaurants in San Francisco which is the most in United States. A Michelin rating is a strong driver of international and national media coverage. It will put Sacramento on par with international culinary destinations like Paris, Tokyo and New York City who have exiting guides.

There are not many Michelin rated restaurants in the United States considering how many restaurants we have. Currently there are four U.S. cities with Michelin ratings. Sacramento would be the fifth city in the country to have a Michelin rating, which would be an honor to have made it on the list.

Testa continued that this started as, essentially, a cold call to Michelin from Visit Sacramento. When they revealed the Michelin book in SF Testa was invited to the event and was introduced to the President of Michelin. The conversation turned into a larger relationship and became a discussion on doing a book for all of California. At this point Visit Sacramento brought in Visit California. Michelin will look at a list of

cities and Sacramento is first on the list as it started because of our involvement. This will be mentioned in the Press Release from Michelin as well.

Based on what Michelin has done for tourism in other parts of the world this will be very beneficial for us. In the first year after Michelin reviewed a restaurant in Denmark hotel occupancy increased by 17% as it attracted customers looking for culinary experiences. It is a wonderful compliment to have Michelin in your market and there is a direct tie to hotel room nights and visitors spending money.

We know the Convention Center expansion and renovation is great, as well as festivals and sporting events. This is the next piece of giving people multiple reasons to come to Sacramento. The average restaurant with a Michelin star rating has a 33% increase in revenues.

Testa shared that if no one gets a star they will still be listed in the guide. They will not share who they have reviewed, but they said they start small and increase the numbers of restaurants reviewed each year. They will come to the city annually. If someone receives a star there is a lot of pressure because it is easy to lose the star. Testa believes this will make the chefs step up their game.

Testa added that none of this is currently public knowledge and asked that no one leak it to the media. There is a Press Conference scheduled on March 5, 2019. LA Times does have the story and Kari is working with Visit California to try and get them to hold off on releasing it. The Press Conference will be at Golden 1 Center followed by a lunch. The planned attendance is for media, chefs, Visit California, the Lieutenant Governor and Mayor Steinberg.

Joe Chiodo asked if the guide is planned as a June release. Testa confirmed it was and that it most likely will be in Los Angeles at an industry event that Visit Sacramento will be present at.

Chair Vandenberg added that this is a huge accomplishment and between Mike and his team they have put a lot of work into this project. A big thank you to the team for working so hard and taking us to the next level as a city.

C. Farm-to-Fork Website

Kari Miskit shared that Visit Sacramento is redesigning some marketing items. The previous Farm-to-Fork website was designed as a catch all resource that included events, food, agriculture, and farmers markets. Now we are in the second phase of what Farm-to-Fork looks like and the current website is not doing what we really need it to do.

Miskit continued that with that in mind we started to look at the traffic coming to the website and it was popular for our events such as Legends of Wine. We have sent out a request for proposal to have the site rebuilt as an event centric website.

The team has come to us with bold ideas including the website looking similar to other festivals, they wanted to build it like the South by Southwest (SXSW) Conference and Festival website. We are very enthused about having a piece that will live online and will put us at the level of some of these other events.

It will be very effective on communicating who we are as an organization. The goal is to launch the site by June which is very aggressive. It will be ready when Tower Bridge Dinner tickets go on sale. We bring out media to experience the events and now we can give them a resource and tool to use when they come. We will also be going to New York City in April to give out invitation.

D. Amgen Budget Update

Testa shared that he and Mike Sophia met with Amgen the previous week regarding the 2019 and 2020 events. They discussed the budget for the event and wanted to ensure the return on investment was in Sacramento's favor. He shared that they are renegotiating again and want to ensure that Sacramento gets ROI.

Testa continued that other large events like Aftershock and CCJW provide room nights. Amgen is valuable, but less rooms are booked for the event compared to others hosted in Sacramento. He wanted to ensure that it still makes financial sense for us to continue to partner.

E. Economic Impact Calculator

Testa informed the group that Sarah Atilano has been working with Destination International on their Economic Impact Calculator and integrating it into our system. This is to show the value of events and to not be guessing or giving estimates.

Atilano continued that room nights are important for showing the impact of visitors in the city. The second most important statistic is Economic Impact. We have begun using the calculator from Destinations International. Previously we had been using a calculator that was created in 2004 and was obviously outdated. Now we have a calculator that can be more specific including Sports, Citywide and Convention events. We will now be able to discuss direct spend by type of business as well as attendee vs. exhibitor spend. The new calculator also tells us the numbers of jobs supported, transient occupancy tax, sales tax, tourism marketing district assessment and we can add in any host cost to allow us to see a true return on investment for a program.

Atilano added that the calculator will also track guest rooms outside of the block. She clarified we will not take credit for these rooms, but we can talk more about what these groups truly look like. We are in the process of implementing the calculators and they will be fulling in place on March 1st. Testa added that now when we give details about Jobs and TOT it can be pinpointed to what Visit Sacramento is doing and shows our value to the city and county.

Vandenberg asked if the formulas are based on credit card spend. Atilano clarified that she was not positive as Destination International and their committee came up with

the calculations. She did note that they are updated regularly. Testa added that we will have the detail to make sure everyone will be able to explain the calculations and we will be able to give the background on how it works.

Doug Warren asked if this would affect goal setting for 2019. Atilano explained that we started using the calculator in January and that Convention Sales and Spots do not have an Economic Impact goal. Tourism does and it could affect their goal.

F. Goal Setting Workshop -March 11th

Atilano informed everyone that the meeting invitation had been sent out. With the center going under renovation and expansion we will want to take a community approach to setting goals. Christine "Shimo" Shimasaki will be facilitating the meeting and will be talking about where we are in the process for the City-Wide sales strategy. The Director of Sales meeting is happening on March 12th and they are currently doing pre-work for that meeting.

Dr. George Fenich will also be at the meeting and presenting the DAC and DAMMM reports that were discussed at the January Board meeting. He will also provide a recommendation on a benchmark for room nights while the center is closed and after it reopens. This will help us to know what is realistic.

G. Louisville Music Festival

Testa shared that everyone had a flyer in front of them for a festival hosted by Danny Wimmer Presents; it is a country festival in Louisville. We are anticipating a similar festival in Sacramento next year and hopefully a third festival in 2021. Testa wanted to show the template for Louisville as it shows what we're working towards.

Mark Davis asked is the country festival is planned to be at Discovery Park and is the county helping to partner? Testa explained that we have a great relationship with the county, and the partnership is going well. This festival would be in Discovery Park again and would be over two consecutive weekends.

H. Board Member Reports

Sonya Bradley discussed phase two of the Convention Center expansion and renovation marketing campaign and shared that they are on track with the money requested from STMD funding. The funding and campaign are to compliment the base marketing activities and to add additional activations. The biggest piece was hiring Digital Edge and the email marketing campaign they have started. This includes an email campaign to win a trip to Sacramento for a Site Visit.

Bradley added that this campaign is targeted to meeting planners who would want to book when the Convention Center is closed. The campaign is driving qualified leads that are turned over to the sales team. This started in mid-January and there was a 24.6% open rate and 17.19% click rate at the end of January which is very good.

Bradley continued that the funding has also allowed Visit Sacramento to increase media spend with Connect and PCMA. NorthStar will also be added in the spring to target additional meeting planners. We have kicked off the new video's as part of this process. Including our "Mr. Sacramento" version of the expansion and renovation video. This video has been edited to different timed version so that it can be utilized different settings. We are guaranteed about 2,000 views of the video with Connect and media pre-rolls.

Bradley then discussed sponsorship and how it has been increased. The early activation at Connect Chicago is Visit Sacramento being a bag and name badge sponsor. Visit Sacramento will also host the Meet and Greet with Key Note speakers in August. Bradley stated that the goal is to be the sponsor of this for the next three years, until the building is fully open.

Mike Sophia then discussed March Madness 2020 and that Sacramento will host the first and second round. Sophia shared that there will be a pre-sale for tickets to partners, stakeholders etc. He added that this will be the opportunity to get tickets now for next year.

VI. Committee Reports

Finance/Executive Committee:

- Main source of revenue for STMD is 8.6% ahead of budget
- Year net income ahead of budget and expected the rest of the year

VII. Staff Board Reports

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

VIII. Calendar of Events

Upcoming events are listed on the Agenda for Board review.


IX. New Business

None to report currently.

X. Adjournment

Board chair Scott Vandenberg adjourned the meeting at 1:08 pm.

Respectfully submitted,



Elizabeth Anderson
Convention Sales Coordinator
(Recording Secretary)



Mike Testa
President & CEO