



MINUTES

Visit SLO CAL Board of Directors

Visit SLO CAL Board of Directors Meeting Minutes

Thursday, March 28, 2019

8:30am

Embassy Suites

333 Madonna Road, San Luis Obispo, CA 93405

1. CALL TO ORDER: Clint Pearce

PRESENT: John Arnold, Alma Ayon, Jed Bickel, Kathy Bonelli, Mark Eads, Aaron Graves, Jim Hamilton, Jay Jamison, Sarah Maggelet, Hemant Patel, Clint Pearce, Amar Sohi

ABSENT: Sam Miller, Nipool Patel

STAFF PRESENT: Chuck Davison, Derek Kirk, Brendan Pringle

Call to Order at 8:37 am.

2. PUBLIC COMMENT (On Non-Agenda Items)

None.

ANNOUNCEMENTS

Davison asked the Board to save the date for Visit SLO CAL's Destination Summit (formerly the Tourism Exchange) on May 9, 2019, 11:30am-4:30pm, with a reception from 4:30pm-6:00pm. Visit SLO CAL is asking that all Board members plan to attend the luncheon and general session, which is from 11:30am-1:30pm. Davison noted Board tickets are complimentary.

CONSENT AGENDA

3. Approval of January 16, 2019 Board Meeting Minutes
4. Approval of January & February Visit SLO CAL Financials
5. Ratification of Jedidiah Bickel as Pismo Beach's Appointed Board Member
6. Approval of Lori Keller's Marketing Committee Application
7. Approval of Janine Dion's Marketing Committee Application
8. Approval of Joel Peterson's Marketing Committee Application
9. Approval of Anne Steinhauer's Marketing Committee Application

Public Comment – None.

Committee Discussion. Hamilton requested a change to the location noted on the minutes (see revised minutes [here](#)).

ACTION: Moved by Maggelet/Graves to approve the Consent Agenda as amended.

Motion carried: 12:0

CEO REPORT

10. CEO Report

Davison reviewed U.S. Travel's Travel Trends Index for January 2019 and January 2018, and the January 2019 TOT update. He also reviewed the 2018 Year-End Visitor Volume numbers for the county. He provided an update on the AMGEN Tour of California, noting that Visit SLO CAL has finalized its agreement with AMGEN for sponsorship of the 2019 Tour of California. One stage will finish in Morro Bay on May 15, 2019 and another will start in Pismo Beach on May 16, 2019. Visit SLO CAL held a planning call with race organizer AEG to discuss route alternatives to Highway 1 in the event of a closure. The Board viewed Visit California's ad, featuring Morro Bay and Pismo Beach, which they will be using as part of their sponsorship of the race. Davison provided an update on recently filled positions (Marketing Coordinator, Digital Marketing Coordinator, Director of Community Engagement & Advocacy, and the Partnership & Community Engagement Manager), and noted that Visit SLO CAL is still conducting interviews for the Communications Manager and Communications Coordinator & Film Commission Liaison roles.

Public Comment – None.

Board Discussion.

BUSINESS ITEMS

11. TMD Renewal Update

Davison provided an update on meetings with the city managers and the county CAO. Based on the results of the ROI Study with Tourism Economics, currently underway, the group has agreed to support the renewal of the TMD at 1.5 percent and 10 years with the following adjustment to the MDP: 1) The Advisory Committee would be comprised of one elected official and one city manager/county official from each participating community. Each community would determine its representative(s) to the committee. The participating communities or Advisory Committee may determine on their own to establish a core group of Advisory Committee individuals who would represent the broader group and interests of the communities on their behalf; 2) The Advisory Committee would meet with the Executive Committee a minimum of twice per year and no more than four times per year at the request of the Advisory Committee. Members of both bodies will be able to place items for discussion on the agenda; 3) The Advisory Committee's input, concerns, and recommendations would be considered by the Executive Committee when taking action on behalf of the organization. Davison also noted that he is constantly meeting with city managers and officials upon request, and would continue to do so outside of these meetings.

Visit SLO CAL would also agree to support or, at a minimum, stand down in the event that an individual city or the County wanted to pursue a 1 percent increase in TOT or a tax increase to support needed infrastructure improvements that will support the tourism industry and/or DMS recommendations in the coming years. During Visit SLO CAL's petition signing process for the renewal of the TMD, Visit SLO CAL would do its best to educate lodging owners on this item, but they would have no control of their position.

The updated draft Management District Plan (in the agenda packet) reflects the changes to the assessment (1.5 percent/10 year term), and proposed changes to the Advisory Committee structure. It also incorporates the additional community feedback on removing ACH remittance as a requirement.

Tourism Economics is doing its best to include all city manager requests in the outcome of their ROI study. After receiving approval from the Board at the January meeting, Visit SLO CAL has signed the agreement and the data collection has begun. Davison outlined the main components of the study.

Public Comment – None.

Board Discussion. Sohi noted that he was apprehensive to give the Advisory Committee greater feedback and sway, and

that he disagreed with the idea of having lodging partners stay out of any proposed tax increase discussions and with Visit SLO CAL agreeing to support this type of increase. He suggested the approach should be to simply stay out of the conversation. He also noted he was uncomfortable to see so much city manager involvement in the process. He clarified that he does support the terms of the renewal.

ACTION: Moved by Bonelli/Hamilton to approve the updated Management District Plan, as recommended by the Executive Committee.

Motion carried: 11:1
Sohi opposed.

12. Destination Management Strategy Update

Davison provided a progress update on the Destination Management Strategy (DMS). Feedback from the Visioning Workshops was developed into high-level draft recommendations. The Steering Committee met yesterday to review the recommendations and provide feedback to Resonance and the Visit SLO CAL Team. Chris Fair, President, of Resonance discussed the DMS planning process, presented the draft Vision, Objectives, Strategies and Draft Recommendations to the Visit SLO CAL Board, and requested feedback.

Davison outlined the next steps on the DMS planning process timeline. Resonance has proposed adding an Action Planning Workshop to map roles and responsibilities for implementation of final recommendations. Davison noted that this would be similar to the Operational Plan developed following our Strategic Plan, detailing work, ownership, partner organizations, etc. The proposal includes engaging a variety of partners in two days of small workshops built around the recommendation sets presented. The action plan would be included as a final published document. The cost for this addendum to the scope of work would be \$14,500. Davison noted that Visit SLO CAL is going to build in funding in the FY2019/20 budget for the recommendations, but won't know by that time what items the Board will want to activate and prioritize until the workplan is complete in June and the Board provides feedback in July.

Public Comment – Danna Stroud, Travel Paso, suggested craft brews and distilleries should be included in the SLO CAL Crafted recommendation. Stroud also noted that as part of the “Living Wage” recommendation, the industry should encourage people to work in the industry based on the benefits and promote it as a career opportunity and business owner opportunity.

Board Discussion.

ACTION: Moved by Graves/Bonelli to approve the addendum to Resonance Consultancy's scope of work.

Motion carried: 12:0

13. Short-Term Rental Housing Impact Research

On February 25, Visit SLO CAL hosted a meeting with Jim Hamilton and Justin Cooley (County of San Luis Obispo); and Shirley Lyon (See Lyon Beach Rentals), Toni Legras (Beachside Rentals), and Cheryl Cuming (CBID) to receive a better understanding of the County's proposed Nexus study regarding the residential vacation rental impact fee, as well as discuss other items affecting the unincorporated STR segment. Visit SLO CAL has since reviewed the proposal and contract for the County study. This study was based on a San Diego impact fee that was later appealed, which is not clarified in the proposal. Kirk noted that Visit SLO CAL has requested feedback from the County on this and other concerns. Visit SLO CAL was asked to participate in a stakeholder meeting the week of May 6 on this item as the County looks to “prepare a nexus study to determine an appropriate fee amount based on market conditions.” In response to these efforts, Visit SLO CAL has solicited a proposal from Beacon Economics (distributed in the digital agenda packet) to: 1) Provide data and empirical analysis to help inform stakeholders and policymakers in San Luis Obispo County as to the nature of the STR market as it pertains to AirBnB and similar STR platforms; and 2) Determine if a nexus between STRs and workforce housing exists; at a cost of \$38,250. The study would also break information out by zipcode and community, allowing a understanding of where

impacts might occur. Visit SLO CAL is positioning this as a non-biased study and has positioned the consultants as such. Information from the study would be available at the community level. Davison noted that this is a strong opportunity on behalf of the vacation rental industry in advance of the renewal. This proposal was recommended by the Executive Committee for approval on March 14, 2019. Davison noted that he had a call with Wade Horton, County CAO, on March 22, 2019 to discuss this further and that prior to signing the study proposal, Visit SLO CAL will meet with the County to determine how we can best partner in the approach to solving for this item.

Public Comment – Danna Stroud, Travel Paso, noted that the Paso Robles City Council has convened a vacation rental task force around the issue of STRs, and that this study would be important for Paso Robles. She said she is excited that Visit SLO CAL will be pursuing the study.

Board Discussion – None.

ACTION: Moved by Bonelli/Arnold to allow the President & CEO to begin contract negotiations with Beacon Economics for a study to determine if a nexus exists between short-term rentals (STRs) and workforce housing, as recommended by the Executive Committee.

Motion carried: 12:0

ADJOURNMENT

ACTION: Moved by Pearce/Graves to adjourn at 10:48 am.