



MINUTES

Visit SLO CAL Board of Directors

Visit SLO CAL Board of Directors Meeting Minutes

Wednesday, July 18, 2018

8:30am

SpringHill Suites by Marriott
900 El Camino Real, Atascadero, CA 93422

1. CALL TO ORDER: Clint Pearce

PRESENT: John Arnold, Mark Eads, Aaron Graves, Jim Hamilton, Jay Jamison, Sarah Maggelet, Clint Pearce, Val Seymour, Amar Sohi, Roger Wightman

ABSENT: Kathy Bonelli, Sam Miller, Nipool Patel

STAFF PRESENT: Chuck Davison, Brooke Burnham, Christine Robertson, Michael Wambolt, Keba Baird, Brendan Pringle

Call to Order at 8:34 am.

2. PUBLIC COMMENT (On Non-Agenda Items)

None.

ANNOUNCEMENTS

Davison announced Wightman's resignation from the Board of Directors, and noted that he would present Wightman with a plaque at the end of the meeting. He asked the Board to review and sign the Conflict of Interest form in front of them, and to give to Pringle at the end of the meeting. He also introduced his daughter, Savannah Davison, who was shadowing him today. Savannah Davison introduced herself and said she was thankful for the opportunity to be at the meeting. Lori Keller, former VSC Board Member, announced that she is starting a business strategies marketing company.

CONSENT AGENDA

3. Approval of May 17, 2018 Board Meeting Minutes

4. Approval of May Financials

5. Approval of Resolution to Renew Line of Credit

Davison noted that June and End-of-Year Financials will be finalized and presented with our annual audit at the September Board Meeting. He also explained that the resolution would be to renew VSC's \$250k line of credit (LOC) at Bank of the Sierra with the Executive Committee as signers, and that the minutes from this meeting would serve as the resolution. He noted that VSC has not used its LOC since the start of the TMD, but has left it open in case of a major catastrophe.

Public Comment – None.

Board Discussion.

ACTION: Moved by Graves/Hamilton to approve the Consent Agenda as presented.

CEO REPORT

6. CEO Report

Davison reviewed the May 2017 and 2018 Travel Trends Indexes from U.S. Travel, as well as the May TOT Report. Davison thanked all who were able to attend the Advisory Committee Meeting on June 7, 2018 and highlighted some of the positive feedback VSC received from elected officials. He also noted that VSC had some conversation during the meeting on the status of contracts with Airbnb to collect TOT and assessment dollars, and that Pringle has put Grover Beach and Arroyo Grande in contact with VSC Board member Jim Hamilton, who was integral to the County's contract with Airbnb. Davison reported out on his HQ meeting with American Airlines, in partnership with Kevin Bumen (SLO Airport) and Jack Penning (Volaire). Davison noted that the City of Paso Robles, in partnership with Travel Paso and the Paso Robles Event Center are exploring plans to build a \$26M conference center on the grounds of the Paso Robles Event Center. He said that additional communities are also looking at options for conference space. VSC collaborated with the Jack & Jill Foundation to host Ken Schiedemeyer (a late-stage cancer patient) and his family from June 18-22, 2018. The family went ziplining, kayaking, surfing and winetasting, and VSC's staff and their families hosted them for a bonfire in Oceano. Wambolt, Burnham and Davison hosted a Morro Bay lodging meeting on June 21, 2018 for mid and small-sized properties, in an effort to increase engagement. On June 22, 2018, Destinations International (DI) certified VSC for their Destination Marketing Accreditation Program (DMAP), indicating VSC had satisfied the rigorous standards (93 total) set forth by the destination community. VSC was formally recognized at DI's Annual Convention (July 10-13, 2018). During the Convention, VSC Operations Manager Brendan Pringle was also separately recognized on-stage as one of DI's 30 Under 30. Davison updated the Board that several local communities are considering TOT/Assessment rate increases. He also noted that Highway 1 will fully re-open today. VSC is working with Visit California on year-long re-activation, including the Dream Drive event on August 9, 2018. Davison outlined his travel schedule.

Public Comment – None.

Board Discussion.

BUSINESS ITEMS

7. Destination Management Strategy Update

Robertson provided an update on the Destination Management Strategy (DMS), and noted that Stages 1 through 5 were completed over the last two months. VSC held its second Steering Committee meeting on June 25, 2018, and is meeting with county supervisors to update them and gain feedback. She also reported out on recent editorial board meetings and interviews, and the filming of PSAs with Assemblyman Jordan Cunningham and city mayors to promote the Community Survey. Stage 6 (the Community Survey) launches late July/early August and will be live for three weeks. VSC is promoting the survey via PSAs on TV, radio and social media, and is asking partners to share the survey with their networks, so that VSC can meet its internal target of 10,000 responses. The Board viewed one of the PSAs featuring Davison.

Public Comment – JP Patel, Lotus Management, asked what is driving VSC to engage in the DMS process. Davison responded that it is part of VSC's board developed and approved Strategic Direction 2020, and explained VSC's desire to manage the destination and strategically map out what we want the destination to become over the next 20 years. Patel described his concern about the resources being used by this organization for this effort and the burden falling on VSC.

Board Discussion.

8. Economic Development Regionalism Effort

Davison outlined the Economic Development Ecosystem (Visit-Live-Work-Business-Visit), and gave background on VSC's involvement in local business attraction, retention and growth discussions, spearheaded by Cal Poly President Jeffrey

Armstrong's Local Economic Development Committee (LEDC). He described the composition of the LEDC, and outlined the Business Attraction Subgroup Members. He noted that VSC's involvement would be in the best interest of tourism, and that VSC is uniquely equipped to tell the SLO CAL story. He also outlined how the impending closure of Diablo Canyon, the loss of local companies, pension liabilities, and the forecasted economic downturn in 2020 make business attraction, retention and growth all the more important. Davison noted that proactive work is not currently happening in the area of business attraction, retention and growth, and that the area needs a new model based on regionalism. VSC, local chambers and Cal Poly are in active discussions on advancing a proactive effort through a new organization. On June 27, 2018, the Executive Committee recommended that VSC continue to play a leading role in new efforts to develop a proactive, regional, economic development initiative focused on business attraction, retention and growth. They also recommended that VSC contributes a \$25,000 sponsorship (from non-TMD assessment funds) once the new organization is established with a business plan and governance structure that aligns with Visit SLO CAL's efforts.

Public Comment – Danna Stroud, Travel Paso, asked about the difference between what SLO EVC is doing versus what this new business attraction organization would be doing. Davison noted that the EVC's purpose is not business attraction, and that this effort was built on a need that exists and has not been fulfilled. Stroud also asked if this new organization would be viewed as a regional Chamber. Davison responded that it would not be a regional chamber, and would rather take advantage of the resources provided by our local chambers. JP Patel, Lotus Management, expressed his concern that VSC could be seen as morphing into a different type of organization by leading these efforts. Davison clarified that VSC is not spearheading the efforts, and that VSC believes it's important to manage the destination and have a seat at the table in the discussion.

Board Discussion.

ACTION: Moved by Graves/Maggelet that Visit SLO CAL continue to play a leading role in new efforts to develop a proactive, regional, economic development initiative focused on business attraction, retention and growth and that Visit SLO CAL offers a \$25,000 sponsorship (from non-TMD assessment funds), once the new organization is established with a business plan and governance structure that aligns with Visit SLO CAL's efforts.

Motion carried: 12:0
Wightman arrived after the vote

9. Highway 1 Reactivation

Davison announced that Visit California's (VCA) "Dream Drive" event is scheduled for August 9, 2018 and that invitations would be coming soon. He described the event, and noted that it is part of a larger effort to re-activate this region. VSC is asking for the release of up to \$100,000 in reserve funding to be used for Highway 1 re-opening marketing. The funds would go toward supporting a North Coast Highway 1 advertising co-op (\$40,000); hosting as many VCA media that we can accommodate; and additional opportunities to support yearlong activation.

Public Comment – None.

Board Discussion.

ACTION: Moved by Graves/Jamison that Visit SLO CAL release up to \$100,000 from reserve funds to be used for Highway 1 re-opening marketing efforts.

Motion carried: 12:0
Wightman arrived after the vote

10. At-Large Board Seat

With Lori Keller's resignation from the Board, the at-large seat on the BOD is now vacant. The term of this seat extends through June 2020. VSC opened the application process on June 29, 2018 and closed collection on July 13, 2018. VSC received applications from Aaron Graves (The Rigdon House, Cambria), Tom Pugh (Embassy Suites, San Luis Obispo), Manish Gupta (Courtesy Inn and Oceanside Inn, San Simeon; Dolphin Cove Motel, Pismo Beach) and Victor Popp (La Quinta Paso Robles). Gupta withdrew his application on July 17, 2018 due to an injury, and Davison noted that Popp's application was technically submitted after the deadline on July 13, 2018. Prior to receiving any applications, the Executive Committee suggested that Aaron Graves could take this at-large seat so that he doesn't lose his seat should he sell his B&B and purchase a hotel. This would open the B&B seat up for applications.

Public Comment – Victor Popp, La Quinta Paso Robles, introduced himself and noted that he would look forward to the opportunity to be more active with Visit SLO CAL.

Board Discussion. Arnold noted he did not believe the Executive Committee made a recommendation since applications had yet to be submitted at the time of the meeting. Graves discussed his interest in the seat.

ACTION: Moved by Jamison/Wightman to appoint Aaron Graves to the at-large seat on the Visit SLO CAL Board.

Motion carried: 10:2:1
Seymour and Arnold opposed (in favor of Victor Popp)
Graves abstained

11. Executive Committee Seat

Lori Keller's resignation means that the Secretary seat on the Executive Committee is now open. Pearce asked for nominations.

Public Comment – None.

Board Discussion. Jamison nominated Mark Eads.

ACTION: Moved by Wightman/Jamison to appoint Mark Eads as Secretary on the VSC Executive Committee.

Motion carried: 13:0

12. TMD Renewal Update

VSC's current 5-year agreement is scheduled to sunset on June 30, 2020 without a renewal. Following direction from city managers at the Advisory Committee, we sent email to local TBID/CVB partners on 7/2 to understand from each city what steps they will require Visit SLO CAL to take before the final hearings and approval by the County Board of Supervisors. We received feedback from all but one city, and requirements will range by community. Davison reviewed the proposed planning timeline, as well as some major items that will require funding, to consider as the renewal is pursued. These items include: growing international marketing/public relations/travel trade; new international markets/efforts; further air service development; Destination Management Strategy recommendations; and Meetings & Conference growth.

Public Comment – None.

Board Discussion.

13. Marketing Update

The Marketing Update was removed from the agenda due to a lack of time. Davison noted that VSC would send the slides to the Board via email.

Public Comment – None.

Board Discussion.

ANNOUNCEMENTS (cont'd)

Davison presented an award to Wightman and thanked him for his service to the VSC Board. Wightman said he was humbled to be part of the Board.

ADJOURNMENT

Meeting adjourned at 10:20am.