



MINUTES

Visit SLO CAL Board of Directors

Visit SLO CAL Board of Directors Meeting Minutes

Wednesday, January 16, 2019

8:30am

Paso Robles Inn

1103 Spring St, Paso Robles, CA 93446

1. CALL TO ORDER: Clint Pearce

PRESENT: John Arnold, Alma Ayon, Kathy Bonelli, Mark Eads, Aaron Graves, Jim Hamilton, Jay Jamison, Hemant Patel, Clint Pearce

ABSENT: Sarah Maggelet, Sam Miller, Nipool Patel, Amar Sohi

STAFF PRESENT: Chuck Davison, Brooke Burnham, Christine Robertson, Brendan Pringle

Call to Order at 8:03 am.

2. PUBLIC COMMENT (On Non-Agenda Items)

Victor Popp, La Quinta Inn & Suites of Paso Robles, thanked Visit SLO CAL for holding this Board Meeting in Paso Robles. Gordon Jackson, Pismo Beach VCB, introduced the City of Pismo Beach's new board appointee, Jed Bickel of SeaCrest Resort. Davison noted that Bickel will join the Board once his appointment is ratified at the March Board Meeting.

ANNOUNCEMENTS

Davison reminded the Board to RSVP for the Beginning of Year Bash, happening January 30, 2019, from 5:30pm-8:00pm at Milestone Tavern in San Luis Obispo. He also announced that Restaurant Month is happening in SLO CAL® throughout the month of January.

CONSENT AGENDA

3. Approval of November 15, 2018 Board Meeting Minutes
4. Approval of October, November and December Visit SLO CAL Financials

Public Comment – None.

Committee Discussion.

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

Motion carried: 8:0
Hamilton arrived after the vote.

CEO REPORT

5. CEO Report

Davison reviewed U.S. Travel's Travel Trends Index for November 2018 and November 2017. He provided an HR update, noting that, effective December 21, 2018, Christine Robertson, Visit SLO CAL's VP of Community Engagement & Advocacy, transitioned into a part-time contractor role as she continues to spearhead the Destination Management Strategy planning process. Candidates are being sourced and interviews conducted for her replacement. Visit SLO CAL has recently hired Haley Ramos to fill the entry level Office Coordinator role, which replaces the Executive Assistant position. With the completion of its Operational Assessment, Visit SLO CAL has also adjusted some approved positions and has begun to schedule interviews for the positions: Partnership & Community Engagement Manager, Communications Coordinator & Film Commission Liaison, Digital Marketing Coordinator, and Marketing Coordinator. None of these are "new" positions, but rather adaptations of previously existing positions. On Monday, January 14, the City of Pismo Beach appointed Jedidiah Bickel, General Manager of SeaCrest Oceanfront Resort, to the Visit SLO CAL Board. Jedidiah will take the seat that Mark Roemer previously held, and will join the board once his confirmation has been agendized and confirmed in the March 2019 meeting. He is attending today's meeting as a member of the public to start getting up to speed. After months of work, Visit SLO CAL received notice on December 14, 2018 that the "SLO CAL®" service mark was approved on the U.S. Supplemental Register. This means that Visit SLO CAL now owns the service mark for the phrase "SLO CAL®" in Class 035 advertising and business services; previously, Visit SLO CAL registered the service mark for the SLO CAL logo. The Board viewed Visit California's new international Kidifornia television spot, which features the Oceano Dunes. Davison reported out on local meetings and his travel schedule for the months ahead.

Public Comment – None.

Board Discussion – None.

BUSINESS ITEMS

6. TMD Renewal

In December, Visit SLO CAL met with the city manager, DMO leader and appointed Board member from each community to review the guidelines of the draft Tourism Marketing District Management District Plan (MDP), and request feedback on the MDP and process as the organization works towards approval. Davison thanked the Board members who attended and assisted with their support during these important meetings. Davison reported out on these community meetings, as well as the December 21, 2019 City-County Managers Meeting. During that meeting, the city managers recommended that Visit SLO CAL perform an ROI study and delay the renewal launch slightly. The city managers will be scheduling a follow-up meeting with Visit SLO CAL in the coming weeks to provide additional feedback and recommendations, including adjustments to the renewal timeline. Davison noted that the requested ROI study would outline the projected additional return on investment that a TMD assessment increase would have on the economy, and that he has reached out to both Tourism Economics and Destination Analysts for proposal and cost estimates. The study is projected to cost between \$30,000 and \$40,000, and would delay the renewal timeline by about two months, but could lead to greater government support allowing the process to proceed at a faster pace.

Public Comment – Danna Stroud, Travel Paso, asked Davison to clarify whether Visit SLO CAL would dissolve if it didn't receive the additional 1 percent and a 10-year renewal term. Stroud also noted that she has received questions on what additional work would be done with additional funding. Victor Popp, La Quinta Inn & Suites, noted that a marketing plan for the additional funds would provide deeper insight to skeptics of the TMD renewal terms. Davison noted that the Board meeting programing doesn't report for Q&A with the public during the meeting, but that he would do his best to address the questions under Board Discussion.

Board Discussion. Davison noted that the organization would not dissolve without the renewal occurring under the current format; the organization would pursue renewal at 1 percent and a 5-year term if that was what the communities desired, and that it would not carve a community out of the district as Visit SLO CAL needs all communities involved in order to be successful. With regards to a marketing plan, Davison noted that the Board, in its November meeting, said it didn't want the organization to focus staff time on the details of how the funds would be spent without knowing if an increase would be approved by the municipalities. He also clarified that with 1 percent and a 5-year term, the expectations for Visit SLO CAL would need to be adjusted, and there would need to be some consensus from the communities and Board on what programs would need to be cut. Pearce clarified that the communities are only asking for an ROI study based on 2 percent and 10 years—not 1 percent and 5 years. Arnold noted that Tom Frutchey, City Manager of Paso Robles, would not be content with the 2 percent and 10-year renewal unless he saw some kind of ROI study. Bonelli said that if one community will continue to dig its heels regardless, then the ROI study would be pointless, but that the data makes it easier to propose. Hamilton asked if the city managers are asking for a regional ROI study or one that examines each community separately. Davison responded that they are looking for a regional study. Jamison noted that his concern is that the organization is putting so much weight on city managers, and asked if an ROI study will help Visit SLO CAL in communicating value to city council members as well. Davison responded that the lodging community is the livelihood of many communities, and said he would encourage Board members to have conversations with the council members in their communities regarding the renewal and the basis for the increase. Jamison recommended moving forward with the study even if there is no consensus on the terms of the renewal to make it clear to elected officials the value of Visit SLO CAL.

ACTION: Moved by Bonelli/Hamilton to recommend that the Board allow the CEO to negotiate terms of an ROI study on the tourism marketing district assessment increase and allocate up to \$40,000 for the project, as recommended by the Executive Committee.

Motion carried: 9:0

7. Destination Management Strategy Update

Robertson provided a progress update on the Destination Management Strategy (DMS). Robertson briefed the Mayors at their January 11, 2019 Mayors Meeting and enlisted their help engaging their community stakeholders. Visioning Workshops are currently scheduled for February 19-20, 2019, and invites will be going out soon. Robertson noted that based on feedback from government officials, Resonance has proposed some potential modifications to the workplan. They are recommending exchanging Open Houses and an Online Forum with regional briefings of elected and community leaders in order to ensure greater buy-in amongst decision-makers. They have also recommended adding a final workshop to map roles and responsibilities for implementation for final recommendations. Robertson outlined the next steps in the process and the updates to the timeline.

Public Comment – None.

Board Discussion – Pearce noted he believed the Action Planning Workshop would be of high value to the process.

8. FY2018/19 Budget Re-Forecast

Davison provided an overview of Visit SLO CAL's proposed re-forecasted budget for FY2018/19, which reflects programs that were cut or postponed during the organization's Team Planning Retreat (December 7, 2018), and re-allocated surplus funds. A significant portion of surplus funds (\$398,000) has been re-allocated to advertising to support the launch of the Dallas flight. Revenue increases reflect the adjustment for actual income received from each community through November 2018, and the true up re-forecasted revenue for December – June, based off of a 3% increase from last year's actual receipts (same as original budget). The increased revenue number includes \$53,000 in additional prior year assessments above budget; \$163,000 in projected Unincorporated area TMD remittance with the opening of Highway 1; and \$142,000 in co-op revenue which is off-set by the associated co-op expense. Davison noted that allocation of co-op income has changed from being subtracted from the expense line item to becoming a separate "co-op revenue" line item under "income,"

making the programming more transparent and keeping Non-TMD funds completely separate. Davison walked the Board through significant changes to the re-forecasted budget by department.

Public Comment – None.

Board Discussion – None.

ACTION: Moved by Graves/Arnold to approve Visit SLO CAL's FY2018/19 Budget Re-Forecast as presented and as recommended by the Executive Committee.

Motion carried: 9:0

9. Marketing Update

Davison provided an update on travel trade efforts, and Burnham reported out on key marketing initiatives. She also reported out on paid, earned and owned media results, and outlined the proposed Media Plan for Dallas.

Public Comment – None.

Board Discussion.

ADJOURNMENT

ACTION: Moved by Graves/Arnold to adjourn at 10:03 am.