



MINUTES

Visit SLO CAL Board of Directors

Visit SLO CAL Board of Directors Meeting Minutes

Wednesday, July 15, 2020

8:30am

Video Conference – URL: <https://us02web.zoom.us/j/86285247594> Meeting ID: 862 8524 7594

Call-In Phone Number: (669) 900-6833

1. CALL TO ORDER: Clint Pearce

PRESENT (VIA VIDEO CONFERENCE): Alma Ayon, Jed Bickel, Kathy Bonelli, John Conner, Mark Eads, Jim Hamilton, Jay Jamison, Toni LeGras, Clint Pearce, Amit Patel, Hemant Patel, Nipoool Patel, Victor Popp, Amar Sohi

ABSENT: Aaron Graves, Sam Miller

STAFF PRESENT: Chuck Davison, Lisa Verbeck, Derek Kirk, Brendan Pringle

Call to Order at 8:31 am.

2. PUBLIC COMMENT (On Non-Agenda Items)

None.

ANNOUNCEMENTS

Davison reminded the Board to fill out and send back their completed Conflict of Interest Disclosure Form by Friday, July 17, 2020.

CONSENT AGENDA

3. Approval of June 17, 2020 Board of Directors Meeting Minutes

Davison noted that the June/Year-End Financials will be available for review and approval at the September Board meeting.

Public Comment – None.

Board Discussion.

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

Motion carried: 14:0

CEO REPORT

4. CEO Report

The FY 2020/21 Business & Marketing Plan was mailed last week to Board and Marketing Committee members, as well as elected officials and city managers from each jurisdiction. Davison shared data and insights from Visit SLO CAL's monthly Board Dashboard. He noted that compared to its competitive destinations, SLO CAL performed well overall for the month of May, based on STR data. On June 24, 2020, Visit SLO CAL hosted its first-ever Virtual Townhall in lieu of its annual Destination Summit, scheduled for May. Davison thanked all who participated in this event, and noted that the video recording and presentation is available on SLO CAL Connection. On July 9, 2020, the SLO County Planning Commission held a hearing to consider a request to amend the Coastal Zone Land Use Ordinance, establishing residential vacation rental standards in Los Osos. In advance of the hearing, Visit SLO CAL worked with Toni LeGras to draft a letter encouraging the Planning Commission to consider a modified approach, allowing more vacation rentals along the coastline, and instituting a more reasonable density barrier further inland. Based on the timing of the hearing, Visit SLO CAL received approval from Board Chair Clint Pearce prior to sending the letter. Earlier this month, SLOCOG asked Visit SLO CAL for a letter of support for their application for the California Transportation Commission's Solutions for Congested Corridors Program (SCCP) for the U.S. 101 San Luis Obispo South County Congestion Relief Project. The project directly complements the Experience SLO CAL 2050 recommendation to improve ground transportation across the county and further develop SLO CAL's countywide trail system. Based on the scope, for which staff approval is permitted in the Advocacy Plan, Visit SLO CAL sent a Letter of Support on July 9, 2020. Visit SLO CAL joined a broader coalition that U.S. Travel, CalTravel and other states were pulling together to ask Congress for Temporary Business Liability Protection. The coalition is seeking protections from frivolous lawsuits during the pandemic and through the recovery period, giving businesses the confidence they need to resume operation. On July 6, 2020, the California Coastal Commission ordered State Parks to keep the Oceano Dunes Vehicular Recreation Area closed to vehicle use and camping until October 1, 2020 to protect Western snowy plovers; Visit SLO CAL is monitoring the issue. Davison recapped the takeaways from Central Coast Economic Forecast's webinar on July 10, 2020. He noted that SLO County was added to the state's COVID-19 watch list on July 13, 2020. Additional business closures will be required after three consecutive days on the list. The governor separately ordered several other statewide closures on July 13 as well. Visit SLO CAL is closely monitoring the County's reporting metrics to assess if SLO CAL will be forced into additional rollback restrictions or closures. Davison highlighted a *New York Times* article noting that Corpus Christi, TX had a rise in COVID-19 cases after the destination received a surge in tourists during the early months of the pandemic. He noted that the industry is seeing consumer sentiment for travel reversing and continuing to decrease. The County is continuing to push back on "open for business" advertising, even prior to the July 13 rollback. Visit SLO CAL is shifting its planning from weekly to longer term, 60-day planning to maximize efficiency. Davison provided an update on air service and noted that the airport will be using a significant portion of its COVID-19 grant money for advertising in target markets. He reviewed the latest cash flow projections for July through December, and noted that once Visit SLO CAL receives TMD remittance receipts before the end of the month, it will determine whether it will return staff to full pay. Davison also outlined his travel schedule.

Public Comment – None.

Board Discussion.

BUSINESS ITEMS

5. New Board Member Terms

At the June Board Meeting, the Board filled two new seats with the elections of Nipool Patel and Amit Patel. Since these are new seats, terms of one, two or three years will need to be drawn for them. Pringle drew a one-year term for Amit Patel (expiring June 2021) and a two-year term (expiring June 2022) for Nipool Patel. Davison noted that elected Board members may have their terms renewed at expiration and that the remaining three-year term not selected in this drawing will be saved for the next new Board seat that is elected.

Public Comment – None.

Board Discussion.

6. Operations Update

Pringle noted that the FY 2019/20 June and Year-End Financials will be presented to the Board for review in September so that the controller has sufficient time to close the books for the fiscal year. He outlined the year-end income, expenses and deficit numbers from the draft financials, and noted that decreased TMD revenue and the Board's approval of an increase in advertising spend of around \$400k toward new air service from San Diego and Portland, contributed to this deficit, which will roll into FY 2020/21. Visit SLO CAL has received the County's approval of Burkart & Stevens as its auditor. Burkart & Stevens has performed the organization's last four audits – all of which have been clean audits. Upon their approval, the County recommended that Visit SLO CAL RFP the annual audit contract sometime in the next three years. Visit SLO CAL has signed a letter of engagement with Burkart & Stevens. They will begin the process once the books are closed for FY 2019/20, and will work to finalize the audit by August 31, 2020. The Executive Committee and Board will review the Audit for approval at their September meetings before it is submitted to the County, as defined by the TMD contract and the Management District Plan. The audit is due no later than December 31, 2020. Pringle also provided an update on the FY 2019/20 Scorecard and FY 2019/20 Annual Report. The Annual Report will be presented to the Board for approval at their September meeting before it is sent to the County, as defined in the TMD contract and Management District Plan. The Annual Report is due no later than October 31, 2020.

Public Comment – None.

Board Discussion.

7. Equity & Inclusion Update

At the June meeting, the Board of Directors directed staff to draft a formal Equity & Inclusion Statement to be brought to the Board for formal adoption. There was consensus among the Board that Visit SLO CAL should not only engage in this space, but help lead the industry to be more inclusive and representative. Staff has worked to finalize the document, gaining input from a variety of investors, partners and stakeholders, including Board members, destination partners and other California travel and tourism representatives. Kirk reviewed the highlights of the document, and noted that the document was amended from the version that was included in the Board agenda packet, which noted that "Visit SLO CAL will not extend engagement opportunities to investors, partners and stakeholders who engage in behaviors inconsistent with the values outlined." That language was adjusted to state that Visit SLO CAL will "limit engagement opportunities" to those who engage in behaviors inconsistent with these values, as Visit SLO CAL is required to provide equal opportunity to all assessed lodging businesses. Kirk noted that the Board would review the tracking mechanism for this initiative at the September Board meeting.

Public Comment – None.

Board Discussion.

ACTION: Moved by Bickel/Ayon to adopt the Equity & Inclusion Statement as amended, and direct staff to implement the policies and reporting practices.

Motion carried: 14:0

8. Operational Planning Update

Davison provided an update on Operational Planning efforts for Strategic Direction 2023, which will wrap up at the end of the month. The final plan will be documented and progress will be tracked in the organization's project management module. Also, the organization will work with Coraggio Group on quarterly check-ins, as noted in the approved contract.

Public Comment – None.

Board Discussion.

9. Marketing Update

Davison reviewed recent and upcoming travel trade efforts. Verbeck provided an update on paid media efforts, including changes to campaign timing and to Visit California's Recovery Co-Op launch. She noted that Visit SLO CAL will launch its campaign in alignment with Visit California's campaign launch. Verbeck also reviewed paid media metrics, website metrics and earned media metrics for FY 2019/20. She noted that Visit SLO CAL will be changing how they report metrics so that the focus is more on engagement. As noted in the June meeting, Visit SLO CAL will be disseminating a creative agency RFP. Verbeck reviewed the RFP timeline with the Board, and noted that the organization is currently on a month-to-month contract with Sunshine & Bourbon (formerly BCF).

Public Comment – None.

Board Discussion.

Davison reviewed the agenda items for the next Board Meeting, scheduled for September 16, 2020.

ADJOURNMENT

Adjourned at 10:02am.