



# MINUTES

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## Visit SLO CAL Executive Committee

### Visit SLO CAL Executive Committee Meeting Minutes

Monday, August 24, 2020

3:00pm

Video Conference – URL: <https://us02web.zoom.us/j/87621305128>

Meeting ID: 876 2130 5128

**1. CALL TO ORDER:** Clint Pearce

**PRESENT (VIA VIDEO CONFERENCE):** Mark Eads, Aaron Graves, Hemant Patel, Clint Pearce, Amar Sohi

**ABSENT:** None

**STAFF PRESENT:** Chuck Davison, Brendan Pringle

**Call to Order at 3:02pm.**

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**2. PUBLIC COMMENT (On Non-Agenda Items)**

None.

### **ANNOUNCEMENTS**

The Executive Committee members provided updates on their lodging properties.

Davison requested that the Executive Committee take the Year-End Satisfaction Survey (if they have not already taken it), and to share the survey with their lists of investors and partners, using the special link and message that was provided. Survey deadline is August 27, 2020.

Visit SLO CAL is once again partnering with Google and Miles Partnership to bring our investors and partners additional training on the Google My Business platform on September 11, from 10:00am-11:00am. Davison encouraged the Committee to register or reach out to Ashley Mastako, Partner Engagement Manager for more details.

### **CONSENT AGENDA**

- 3. Approval of June 15, 2020 Executive Committee Meeting Minutes**
- 4. Approval of June/Year-End Visit SLO CAL Financials**
- 5. Approval of July Visit SLO CAL Financials**

Public Comment – None.

Committee Discussion.

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

**Motion carried: 5:0**

## CEO REPORT

### 6. CEO Report

Davison provided an Operations Update, including updates on the progress of the FY 2019/20 Scorecard, the FY 2019/20 Audit, the FY 2019/20 Annual Report, and the completion of the SD 2023 Operational Plan. He noted that the SD 2023 Operational Plan is being tracked through our project management system, and staff will report out to the Board throughout the year as appropriate. Davison noted that several SLO CAL coastal communities (Pismo Beach, Morro Bay, Cayucos) are experiencing an immense uptick in the litter being left on beaches from visitors, and that the team at Visit SLO CAL has been working to understand what support, if any, the organization might offer to the municipalities and unincorporated communities in this space. He noted some of the feedback he had received from Scott Collins, City of Morro Bay, and Gordon Jackson, Pismo Beach CVB, and he requested Committee feedback and brainstorming on this issue. Davison reported out on the August 14, 2020 City Manager Meeting, noting that he presented an update on Visit SLO CAL's advertising plan, its Equity & Inclusion efforts, Experience SLO CAL 2050 and a request for direction on how to proceed with Advisory Committee meetings. Davison added that there remains County pushback on travel advertising based on the confusing restrictions messaging coming down from the State, but that Visit SLO CAL is working with Visit California on de-conflicting some of the communications. Davison noted that he was asked by the city managers to help establish a draft structure for the Advisory Committee meetings that they can review at the September City Manager meeting, and is awaiting their feedback and response. Davison reviewed year-over-year June TOT numbers and FY 2019/20 YOY TOT numbers by community, noting that the numbers show the strength of the first eight months of FY 19/20, pre COVID-19. He provided an update on the Dolan Fire and Highway 1 closure. All paid social has been paused due to the fire and resulting smoke throughout the county. Staff continues to monitor California's fire situation and will stay aligned with Visit California's messaging. Davison shared Visit SLO CAL's Board Dashboard, noting that SLO CAL is faring far better than its competitors in terms of Occupancy, ADR and RevPAR since March. Additionally, SLO County Regional Airport remains one of the top 10 non-hub airports in the county for passenger traffic. He also provided an advocacy update to the Committee. On August 13, 2020, Visit SLO CAL signed on to a coalition letter asking congressional leadership to restart negotiations on additional coronavirus relief. On August 14, 2020, Visit SLO CAL invited a group of SLO CAL lodging investors to meet with Congressman Carbajal in our bi-annual Industry Advisory Group Meeting, held via video conference. The group discussed topics such as the pending stimulus package in Congress, the desire for clear COVID-19 standards and metrics, and the ongoing social and racial justice issues being discussed across the country. Davison introduced Vanessa Rodriguez, Visit SLO CAL's new Digital Marketing Manager, and noted that Visit SLO CAL is currently sourcing applications for its Digital & Marketing Specialist position, which replaces the recently vacated Marketing Coordinator role. Davison announced that Derek Kirk, Visit SLO CAL's Director of Community Engagement & Advocacy will be fully relocating to Sacramento and will remain on the team through mid-September. Visit SLO CAL will be dividing the role and has posted a Project Manager, Destination Management position (offset by previously approved positions), focused on project management experience, necessary to advance the day-to-day Experience SLO CAL 2050 initiatives prioritized by the board. Davison noted that in the short-term, he will take on the responsibilities of the Director of Communication & Advocacy position himself, but will look to re-hire for this position as the right candidate becomes available. Visit SLO CAL's legal counsel reviewed its California Welcome Center sponsorship agreement and the agreement was signed by South County Chambers (SCC) on August 20, 2020. Visit SLO CAL is working to determine next steps and SCC's ability and timeline to meet the requirements in the agreement. He added that the California Welcome Center could open and sponsorship payments could begin as early as October 1, 2020. He noted that the Morro Bay TBID is looking to carve itself out of the City and spin it back out as a non-profit, established under the '94 Act, similar to Visit SLO CAL. Davison said that he participated in the task force, along with Hemant Patel, to review the make-up of Morro Bay's TBID and make recommendations. He noted the assistance that he has provided City Manager Scott Collins throughout this process. The proposed start date of the new district would be July 1, 2021. Davison noted that the full list of CEO Meetings was included in the CEO Report, distributed on August 19, 2020. Davison asked the Committee if there might be an appetite for the Executive Committee to meet in person in September.

Public Comment – None.

Committee Discussion. The Executive Committee recommended holding the September 2020 meeting in person if possible.

## BUSINESS ITEMS

## 7. 457 (b) Retirement Plan Adoption & Management

As a follow up point in the President & CEO's signed contract, Principal, who manages our 401(k) plan, as well as oversees our dental, vision, and short- and long-term disability benefits, has been determined to be the best option for the outlined deferred compensation plan. Davison detailed some of the specifics of the plan. Under the structure of the 457(b) plan, the Executive Committee would be authorized as Board overseers of the plan, or the Committee by which the plan will be "managed," with any changes or additions to the plan being approved by the Committee. As part of the set-up process, the Executive Committee is required to adopt a resolution establishing and activating the 457(b) deferred compensation plan. Davison requested that the Committee adopt the resolution. Davison also noted that the current federal law only allows \$19,500 per year in contributions to a 457(b) plan on behalf of a single individual. Davison requested that the additional \$500 per year, from the agreed to \$20,000 amount, be deferred in the event the federal law changes and allows additional contribution in the future. In the event the law does not allow additional contribution, the \$500 per year would be paid out to Davison at the end of his contract term, or when he leaves the organization.

Public Comment – None.

Committee Discussion.

**ACTION:** Moved by Sohi/Patel to adopt a resolution to create a Nonqualified 457(b) Retirement Plan, managed by Principal and allow deferment of the additional \$500 annually.

**Motion carried: 5:0**

## 8. COVID-19 Impact & Response Update

Visit SLO CAL is closely monitoring the County and State's reporting metrics. The Governor announced this week that the guidelines for coming off of the watch list will be modified. Visit SLO CAL is following Visit California's lead on media launch dates. Davison provided an update on national trends. He also reported out on current air service, the latest STR report for the week ending August 15, 2020, and Visit SLO CAL's latest cash flow projection. He noted that after four months at 20 percent pay cuts, the team returned to 100% pay and full-time work on August 1, 2020 as May TMD income exceeded projections.

Public Comment – None.

Committee Discussion.

## 9. Experience SLO CAL 2050 Customer Service Update

As part of the Customer Service Recommendation in Experience SLO CAL 2050 (ESC 2050), which was prioritized by the Board for FY 2020/21 at their March 2020 meeting, and funded with the June Board approval of the FY 2020/21 budget, Visit SLO CAL staff has been working with Cal Poly, including Extended Education, Office of Research & Economic Development, SBDC and the Experience Industry Management Department to develop a program that could support the Travel & Tourism workforce through customer service and COVID-19 safety training, as one portion of this work. Cal Poly has been working with the Economic Development Administration regional team on the grant funding of an established Comprehensive Business Support Network (CBSN) of organizations to provide targeted support to the industry, including customer service training for the local workforce (Extended Ed), finance and operations support (SBDC), marketing and brand support (Visit SLO CAL), and local advocacy (Chambers of Commerce/economic development organization staff). The CBSN would bring together business support organizations in a coordinated response, leveraging their specific expertise. Travel & Tourism businesses could "enter" this network through any of the partners and would be guided through the support of all partners. The EDA Grant could provide this initiative with \$500K in year one, of which Visit SLO CAL could receive financial support to fund the marketing and brand support efforts. Davison outlined what components each "spoke" of the CBSN would be managing as part of this partnership. As part of the partnership, Cal Poly Extended Education would be offering a three-course program, and the first course would be free of charge to participants. He noted that the CBSN expands beyond the initial Customer Service recommendation in ESC 2050 to provide additional support to the industry

during the current pandemic and could provide incredible benefit to the industry. As the program is developed and the grant potentially funded, Visit SLO CAL would maintain a prominent seat at the table to cater this effort to what the industry needs. Since this does not accomplish the need for mass industry customer service training, additional programming would still be developed to solve for completion of the recommendation in ESC 2050. Davison noted that if the grant is not approved, Visit SLO CAL has no exposure on the program.

Public Comment – None

Committee Discussion.

**ACTION:** Moved by Graves/Sohi to recommend that the Board allow the President & CEO to sign a Memorandum of Understanding (MOU) with Cal Poly and REACH and submit a grant application to fund the CBSN.

**Motion carried: 5:0**

## **10. Travel Trade & Marketing Update**

Davison reported out on recent and upcoming travel trade efforts, and earned, owned and paid media efforts, including an update on the timing of both Visit SLO CAL's brand campaign and co-op campaign with Visit California. Davison shared the updated Visit SLO CAL brand video with the Committee.

Public Comment – None.

Committee Discussion.

Davison outlined upcoming agenda items.

## **ADJOURNMENT**

Adjourned at 4:44pm.