



# MINUTES

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## Visit SLO CAL Board of Directors

### Visit SLO CAL Board of Directors Meeting Minutes

Wednesday, November 20, 2019

8:30am

Inn at Morro Bay

60 State Park Rd, Morro Bay, CA 93442

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

**PRESENT:** Alma Ayon, Jed Bickel, Mark Eads, Jim Hamilton, Jay Jamison, Toni LeGras, Hemant Patel, Nipool Patel, Clint Pearce, Victor Popp, Amar Sohi

**ABSENT:** Kathy Bonelli, Aaron Graves, Sam Miller

**STAFF PRESENT:** Chuck Davison, Brooke Burnham, Derek Kirk, Brendan Pringle

**Call to Order at 8:36 am.**

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

None.

#### ANNOUNCEMENTS

Davison announced that Brendan Pringle was promoted from Operations Manager to Director of Operations on November 1, 2019. The next Advisory Committee Meeting is scheduled for Thursday, December 5, 2019 from 3-5pm at the Embassy Suites; all Board members are encouraged to attend. Davison asked the Board to save the date for the Beginning of Year Bash on Tuesday, January 14 at 5:30pm, which is scheduled to coincide with the last Board of Supervisors hearing for the Tourism Marketing District (TMD) renewal.

#### CONSENT AGENDA

3. Approval of September 18, 2019 Board Meeting Minutes
4. Approval of September Visit SLO CAL Financials
5. Approval of October Visit SLO CAL Financials
6. Approval of Resolution to Update Bank Account Signature Cards
7. Approval of Resolution to Renew Line of Credit

Davison noted that the update to the bank account signature cards includes the current roster of Executive Committee members and the President & CEO, and that the line of credit would be renewed at \$250k with Bank of the Sierra, and lists the Executive Committee as signers. Board action on the September and October Visit SLO CAL Financials, the Resolution to Update Bank Account Signature Cards and the Resolution to Renew Line of Credit would be a ratification of previous Executive Committee action.

Public Comment – None.

Board Discussion.

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

**Motion carried: 11:0**

## **CEO REPORT**

### **8. CEO Report**

Davison reviewed U.S. Travel's Travel Trends Index for September 2019 vs. September 2018, as well as the September TOT report. He reported out on the key takeaways and forecast from the Southern California Visitor Industry Outlook Conference, attended by Pringle on October 1, 2019, and the Central Coast Economic Forecast on November 8, 2019. Visit SLO CAL hosted its Industry Educational Symposium on October 23, 2019, which attracted 102 attendees. Davison noted that the event was professionally recorded and the videos and presentation decks from the event were shared via email and are available on the Resources page of SLOCAL.com. He provided an update on Visit California's Referendum effort and encouraged support for its renewal. He reviewed the results of the FY2018/19 Year-End Stakeholder Satisfaction Survey, and expressed concern about the lack of Board response and outreach. He reported out on his upcoming travel schedule.

Public Comment – None.

Board Discussion.

## **BUSINESS ITEMS**

### **9. Destination Management Strategy Work Plan**

Kirk reminded the Board that the Destination Management Strategy (DMS) Work Plan is an ever-evolving document that will change and develop in the coming years as the community gets deeper into the process. At the current time, staff is requesting that the Board approve the DMS Work Plan in concept, and not asking the Board to allocate resources, prioritize recommendations or finalize partners and ownership. He outlined the contents of the Work Plan, and noted that Visit SLO CAL is recommending renaming the document "Experience SLO CAL 2050" as a new and aspirational name to give the community something to look towards as Visit SLO CAL seeks participation for the completion of the recommendations. He detailed the recommendations that would be 1) driven and owned by Visit SLO CAL, 2) developed and coordinated in partnership with Visit SLO CAL, and 3) championed by Visit SLO CAL. He also detailed the draft, high-level projected lifetime financial resources and activation timelines for each recommendation and reviewed the scope that would be completed by Visit SLO CAL staff for each recommendation. He clarified that the activation of recommendations will be prioritized by the Board of Directors in March 2020. Kirk reviewed next steps. Davison noted that Visit SLO CAL began its destination management process prior to both LA Tourism and Visit California, and applauded the Board for its foresight and industry leadership in initiating this major effort. Kirk added that Visit SLO CAL wants the community to have ownership of the DMS as well.

Public Comment – None.

Board Discussion. Bickel requested that the re-branding of the Destination Management Strategy to "Experience SLO CAL 2050" be revisited. Davison noted that staff would take this recommendation back for consideration, and added that the subtag on the strategy would be "a Destination Management Strategy."

**ACTION:** Moved by Sohi/Bickel to approve the DMS Work Plan in concept, with the recommendation that the re-branding of the Destination Management Strategy be revisited at a future meeting.

**Motion carried: 11:0**

## 10. Spartan Race Sponsorship

Davison outlined an opportunity for Visit SLO CAL to sponsor the Spartan Race in SLO CAL. He provided an overview of the opportunity, noting that it aligns with Visit SLO CAL's Active Adventurer persona and the Signature Events recommendation in the DMS. He reviewed the metrics and sponsorship benefits to Visit SLO CAL, as well as the draft activation costs. He noted that Spartan would be looking for a three-year commitment, but Visit SLO CAL would establish that this would only be acceptable in the event that the TMD is renewed and if the Spartan Race delivers on contracts and established expectations. Visit SLO CAL would provide up to \$60k cash and in-kind sponsorship to the Spartan Race in lieu of sponsoring Amgen's Tour of California, which will not be occurring in 2020. Davison noted that based on the short timeline necessary to move forward, on October 14, the Executive Committee approved allowing the President & CEO to enter into contract negotiations with Spartan Race, establishing a total cash and in-kind sponsorship of up to \$60k. Terms have been agreed to, the sponsorship agreement is being finalized, and the request to the Board would be to ratify the Executive Committee's action.

Public Comment. Gordon Jackson, City of Pismo Beach, asked to confirm that this event was taking place in March. Melissa Colon, Pacifica Hotels, requested specific dates. Davison responded that the race would occur mid-March (March 14-15, 2020).

Board Discussion.

**ACTION:** Moved by Eads/Popp to ratify the October 14, 2019 Executive Committee approval to allow the President & CEO to enter into contract negotiations with Spartan Race, establishing a sponsorship of \$60k total cash and in-kind, for an event at Santa Margarita Ranch, replacing the 2020 sponsorship of the Amgen Tour of California.

**Motion carried: 11:0**

## 11. Coraggio Group Engagement

Davison noted that during the Tourism Marketing District (TMD) Renewal process, there were requests from communities to help inform the Business & Marketing Plan and usage of the additional 0.5 percent funding post-renewal, including one letter sent by a city to the Board of Supervisors with their resolution. He said that the TMD Renewal process left some scar tissue in areas like Paso Robles, where some strategic partners (Chamber, PRWCA and select leadership of Travel Paso) did not support the renewal. Based on Visit SLO CAL's organizational value of Collaboration, and in the effort to bring communities together in line with the Visit SLO CAL funnel, staff has worked with Coraggio Group to concept next steps. Davison described Coraggio Group's strong reputation in the county, and proposed that Coraggio lead the planning process going into Strategic Direction 2023 (post-TMD renewal), where communities would have a say in the process, but the Board of Directors would have the final vote. He outlined Coraggio Group's three-phase process, which would build buy-in with investors and stakeholders, and assist them in understanding the timing and mechanics of additional TMD funding. He also noted the investment costs of the proposed engagement. Additionally, Davison requested Board direction on the amount of time, energy and resources to spend engaging with partners who are not supportive of the renewal of the TMD.

Public Comment. Gordon Jackson, City of Pismo Beach, commended the effort to plan Strategic Direction 2023, and noted that the Strategic Direction 2020 gave DMOs an understanding of Visit SLO CAL's direction.

Board Discussion. LeGras and Ayon both noted that engaging those who were not supportive of the renewal is important, and Ayon requested resources to explain the specific benefit to B&Bs who were opposed to the assessment from the TMD renewal. Popp explained some of the reasons behind resistance in Paso Robles. Sohi noted that the amount of effort to engage with resistant partners should be minimal and Visit SLO CAL should focus on its work.

**ACTION:** Moved by LeGras/Sohi to approve the President & CEO entering into contract negotiations with Coraggio Group for post-renewal planning and the development of Strategic Direction 2023, of which work would begin after January 15, 2019, post-TMD renewal.

**Motion carried: 11:0**

## 12. Staffing Update

Davison provided an update on staffing. Visit SLO CAL publicly announced on October 16, 2019 that its VP of Marketing, Brooke Burnham, will be transitioning off the team December 20, 2019 to seek new opportunities. At its October 14, 2019 meeting, the Executive Committee approved the contracting of Searchwide as the recruiter for this role. Also, based on Searchwide's recommendation, they approved elevating the role to Chief Marketing Officer (CMO) to compete for the best talent and approved adjusting the salary to account for talent needed and cost-of-living in SLO CAL. Staff is asking the Board to ratify this action at this meeting. Davison reported that initial interest has been strong, with three interviews conducted thus far, and noted that he expects a CMO in the seat by mid-January. Davison also updated the Board on three new hires: Kim Caldwell, Digital Marketing Coordinator, began November 18, 2019; Kelly Brickey, Communications Coordinator & Film Commission Liaison, will begin December 2, 2019; and Ashley Mastako, Partner Engagement Manager, will begin December 16, 2019. All three roles were replacements of former team members who had departed. He also noted that Visit SLO CAL is close to hiring a new Office Coordinator, and that interviews are underway for the Communications Manager role, after the Madison Quiring resigned from this role on November 6. At their October 14, 2019 meeting, the Executive Committee approved presenting three staffing additions to the Board for inclusion in the budget re-forecast (presented at the January 15, 2019 meeting), post-final Board of Supervisors hearing on January 14, 2019: 1) Sales Manager, 2) Executive Assistant, 3) Graphic Designer. Davison outlined the rationale behind adding these new positions.

Public Comment. Melissa Colon, Pacifica Hotels, asked if there were KPIs outlined for the Sales Manager role and if the position was reporting to the Director of Travel Trade. Davison noted yes to both.

Board Discussion.

**ACTION:** Moved by N. Patel/LeGras to ratify the October 14, 2019 Executive Committee approval to allow the President & CEO to contract Searchwide as the recruiter for the CMO position at suggested increased salary, as approved by the Executive Committee.

**Motion carried: 11:0**

**ACTION:** Moved by N. Patel/LeGras to add three new positions – Executive Assistant, Sales Manager and Graphic Designer to the FY2019/2020 budget re-forecast, as recommended by the Executive Committee.

**Motion carried: 11:0**

## 13. Visit California - California Welcome Center

Davison provided an update on the Visit California – California Welcome Center (CWC) in Pismo Beach. Visit SLO CAL has had discussions with Visit California (VCA) about securing the CWC in SLO CAL after Simon Group Properties announced they were planning to close the CWC. With the Executive Committee's approval at their October 14, 2019 meeting, Visit SLO CAL agreed to commit financial resources of up to \$90,000 annually to keep the CWC open, based on meeting criteria that would be established by Visit SLO CAL. Simon Group Properties has since decided they are no longer interested in staffing the CWC and closed it, effective October 29, 2019. Visit SLO CAL emailed all of the local DMO partners on November 4, 2019, asking if any would like to consider opening a CWC in their community. Visit SLO CAL will be requesting business plans and funding proposals from any interested destination partners. Should Visit SLO CAL provide financial sponsorship, it would create its own standard operating requirements, in addition to VCA's contractual requirements for operators.

Public Comment. Gordon Jackson, City of Pismo Beach, described some of the history behind the California Welcome Center in Pismo Beach, and noted that, recently, Simon Group Properties had lost interest in managing the CWC.

Board Discussion.

**ACTION:** Moved by Hamilton/Bickel to allow the President & CEO to negotiate on behalf of Visit SLO CAL to keep the California Welcome Center in SLO CAL, including sponsorship funding, with conditions, up to \$90,000 annually, as approved by the Executive Committee.

**Motion carried: 10:1**  
**LeGras opposed.**

#### **14. TMD Renewal Update**

Davison provided an update on the TMD renewal process, noting that since the County released the petition on August 1, 2019, Visit SLO CAL has collected petitions representing more than 600 lodging properties. Countywide petitions received in support total 73.18% (a super-majority), which doesn't include a number of petitions that are yet to be counted. Davison noted that the County has said that future petitions will not be added to the total percentage of petitions since the required threshold has already been exceeded. He provided an update on recent meetings, noting that the Pismo Beach City Council voted unanimously to adopt a resolution for the renewal on October 15, 2019, and that all other jurisdictions have unanimously approved resolutions. Visit SLO CAL has met with all County supervisors, all of which are very supportive. The Resolution of Intent was approved by the Board of Supervisors on November 14, 2019, opening up the process at the County level. He reviewed the upcoming schedule of Board of Supervisors hearings, and noted that Civitas, Visit SLO CAL's legal counsel for the TMD renewal, will be present for the second and third hearings (on December 10, 2019 and January 14, 2020, respectively). At this time, Visit SLO CAL will not provide a formal presentation at any of the hearings, but will rather be in attendance to answer any questions or frame discussions. He encouraged all Committee members to attend the final Board of Supervisors hearing on January 14, 2020, and noted that he would advise them of our placement on the agenda when it is posted the Thursday before the meeting.

Public Comment – None.

Board Discussion.

#### **15. Marketing Update**

In the interest of time, the slides for Item #15 were included in the digital agenda packet. Davison added that Visit SLO CAL is working with Miles Partnership on a \$100k Expedia ad buy for January to March, to counter the softening of the market during these shoulder season months.

Davison also noted that the January 15, 2020 Board of Directors meeting will be held at the Vespera on Ocean in Pismo Beach, and outlined the key agenda items.

#### **ADJOURNMENT**

**ACTION:** Moved by Pearce/N.Patel to adjourn at 10:46 am.