



# MINUTES

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## Visit SLO CAL Executive Committee

### Visit SLO CAL Executive Committee Meeting Minutes

Thursday, March 10, 2022

12:00 – 2:00 PM

The Kinney SLO, 1800 Monterey St, San Luis Obispo, CA 93401

**1. CALL TO ORDER:** Hemant Patel

**PRESENT:** Amar Sohi, Hemant Patel, Aaron Graves, Clint Pearce

**ABSENT:** Mark Eads

**STAFF PRESENT:** Chuck Davison, Cathy Cartier, Emily Rudge

**Call to Order at 12:01pm.**

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

None.

### ANNOUNCEMENTS

Reminders: March Board meeting rescheduled to March 23 at Paso Robles Inn. Advisory Committee Core Group meeting to be held April 14 during the second half of Executive Committee meeting. The Spartan Race will be taking place March 12 & 13, tickets available for both spectators and participants.

### CONSENT AGENDA

**3. Approval of January 13, 2022 Executive Committee Meeting Minutes**

**4. Approval of the January 2022 Financials**

Public Comment – None.

Committee Discussion.

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

**Motion carried: 4:0**

### CEO REPORT

**5. CEO Report**

Davison shared the latest weekly and monthly STR reports, noting that the numbers are pacing strongly, with rooms sold having a 12% increase YOY. Davison provided a recap of the February 11 Regionalism Retreat held in Morro Bay, with topics focused on resetting relationships, onboarding new members, and 4 key initiatives (Housing, Homelessness, Diablo, Talent attraction & development). Davison noted the key takeaways of the Visit California Outlook Forum, held in San Francisco on

February 14 -16, noting the panel Davison spoke on regarding Rebuilding Destination Airlift. Davison highlighted Visit SLO CAL's current open positions. Davison provided an air service update, noting that the pilot shortage recovery is estimated to take 4-5 years, and highlighted the upcoming meeting with Alaska Airlines at their Seattle Headquarters to discuss performance, review data, and outline future opportunities. Davison provided an advocacy update, noting the outcome of the Los Osos Coastal Commission's ruling against the short-term rentals despite the hefty advocacy efforts of both the Visit SLO CAL staff and community partners. Davison highlighted the several letters of support Visit SLO CAL has provided, the upcoming federal and state lawmaker visits in April & May, and the May 3 Cambria Christmas Market Permit Hearing. Davison provided an update on the Events & Festivals Strategy and explained the Phase II agency proposal is still under internal review, with the possible presentation during the March 23 Board of Directors meeting. Davison noted that as of March 7, the Commitment to Collaborate was fully executed with 11 signatures confirming the commitment to the Events & Festivals Strategy creation, implementation, and adherence process. Davison requested committee feedback on discontinuing the bi-monthly CEO Report sent in off-Board meeting months, stating the highest click-rate being 30%, and noting that this requires a lot of time and contribution from most of the team, and perhaps there is better information to share or eliminating it would be best. Davison highlighted upcoming CEO Travel dates for March and April.

Public Comment – None.

Committee Discussion. The Committee agreed staff should illustrate to the Board how much time the CEO Report takes to create and seek feedback on continuing it. In the event the Board wishes to continue receiving the report, staff should track creation hours and monitor engagement for the next few months to then determine if elimination of the CEO Report is best.

## **BUSINESS ITEMS**

### **6. Visit SLO CAL Reserve Account Investment Update**

Davison reintroduced Kenny O'Connell, SVP at Morgan Stanley Wealth Management via phone to walk the Committee through the two chosen investment options to consider as there is currently \$1.5 million in cash reserves that need to be allocated. O'Connell highlighted the investment recommendations of a laddered bond approach and a laddered CD approach. Davison requested Committee feedback as to which approach is best suited.

Public Comment – None.

Committee Discussion- Committee agreed to take approximately \$500,000 out of cash reserves and invest in 4 bonds, laddered over different time periods, as the variance in risk between CDs and Bonds is low and bonds are currently yielding 100 bps higher. As the current CD's reach maturity they will replenish the cash reserves and the committee will review additional options for the balance of cash reserves in the months ahead.

**ACTION:** Moved by Pearce/Graves to approve the bond investment option presented by Morgan Stanley Wealth Management with an investment of \$500,000.

**Motion carried: 4:0**

### **7. Office Space Update**

Davison provided an update on the board approved relocation of Visit SLO CAL to a larger office. Davison highlighted the desired location as 81 Higuera St, which has been reviewed by the Chair and Vice Chair. The office is owned by Rob Rossi who has generously agreed to a laddered rent structure and tenant improvements to be covered by Rossi entirely. Visit SLO CAL is pursuing a targeted June 1 occupancy and a lease through June 2030. Davison highlighted the substantial annual savings to be made available in the new office due to the ability to hold events such as the Executive Committee meeting, Marketing Committee, Culture Retreats, Budget Planning Retreats, Community Engagement & Advocacy meetings onsite rather than an offsite location.

Public Comment – None.

Committee Discussion – Committee agreed with the Chair and Vice Chair’s approval to move forward with the new office space. The Committee discussed the benefits of the tenant improvements being paid for and handled by Rossi and the time saving that it provides, along with the benefits of having space large enough to grow into, as well as host meetings onsite.

## **8. Oceano Dunes Draft Proposal**

Davison provided an update on the Oceano Dunes Draft Proposal from Resonance outlining the \$81,000 cost, leaving a \$20,000 gap between what was originally approved by the Board and contributions from communities. Davison noted that the Resonance proposal would create a stakeholder process to develop the Oceano Dunes Destination Stewardship Plan. Phase 1 would include data analysis including economic impact for purpose of future mitigation, interviews, and stakeholder feedback. Phase 2 would include stakeholder input to develop multiple preferred directional uses for Oceano Dunes if closed. The goals of the study is to determine the direct & indirect impacts and mitigate loss of Oceano Dunes-related travel and tourism in the region and to understand next best use options for the dunes if closed. Davison stated the process could be completed by late summer if executed in April. Davison outlined staff’s request for Visit SLO CAL to fund up to \$60,000, or \$20,000 above what was originally approved, to advance the work.

Public Comment – None

Committee Discussion.

**ACTION:** Moved by Graves/Pearce to recommend the Board authorize the President & CEO to finalize the Oceano Dunes Proposal contract agreement with Resonance and allocate a total of up to \$60k in VSC funding for the project.

**Motion carried: 4:0**

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

Cartier provided an update on the recent Marketing Committee Retreat held on March 8, which included agenda topics such as the House of Brands strategy phases 2 and 3, the Annual Survey, a Media Review, the FY 2023 potential Co-Op, PR & Communications FY 2023 Areas of Focus, and Collaboration Opportunities. Cartier noted that the interactive map should be active on the website in about 3 weeks, which will highlight time and distance to enable cross-visitation. Cartier noted the results of the fall research data where SLO CAL ranked #1 for families compared to competing destinations such as Monterey, Napa, Santa Barbara, Palm Springs, Tahoe, and San Diego. Cartier provided an update on the upcoming Spartan Race, commenting on there are now 7,000+ participants registered. Cartier highlighted the results of the overwhelmingly successful SLO CAL Open, stating that the World Surf League recorded their best media numbers ever recorded for an event of this size. Cartier noted the recent PR RFP, with finalist presentations to take place on March 21, and will seek Board approval on May 18.

Public Comment – None

Committee Discussion.

## **10. President & CEO Annual Review**

Davison reviewed the criteria set forth for the President & CEO’s bonus compensation as part of the employment contract: 12.5% bonus is tied to Visit SLO CAL’s operation and a 12.5% bonus is tied to the delivery of Strategic Direction 2023 imperatives. Davison noted that detailed documentation of the results was provided to the Committee in advance of the meeting. Davison exited the room while the Committee discussed the Annual Review.

Public Comment – None

Committee Discussion.

**ACTION:** Moved by Sohi/Graves to recommend that the Board approve the CEO Annual Bonus at 100%.

**Motion carried: 4:0**

Davison noted the upcoming agenda items.

## **ADJOURNMENT**

Adjourned at 2:01 pm.