



MINUTES

Visit SLO CAL Executive Committee

Visit SLO CAL Executive Committee Meeting Minutes

Thursday, August 11, 2022

12:00pm-2:00pm

VSC Office, 81 Higuera Street, Ste 220, San Luis Obispo, CA 93401

1. CALL TO ORDER: AARON GRAVES

PRESENT: Amar Sohi, Mark Eads, Aaron Graves, Clint Pearce

ABSENT: Hemant Patel

STAFF PRESENT: Chuck Davison, Cathy Cartier, Emily Rudge

Call to Order at 12:03pm.

2. PUBLIC COMMENT (On Non-Agenda Items)

None.

ANNOUNCEMENTS

VSC received a Skift award nomination for Xplorit program; Winners will be announced at the Global Forum in New York City on September 19-21. Staff will not be present due to the September 21 Board meeting.

CONSENT AGENDA

3. Approval of July 11, 2022 Executive Committee Meeting Minutes

Public Comment – None.

Committee Discussion.

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

Motion carried: 4:0

CEO REPORT

4. CEO Report

Davison shared the week of July 31 STR report data, highlighting that rooms sold were up 2.8% with supply up 1.1% and noting that the additional media spend for May and June provided additional benefits. Davison provided a special, detailed update on market performance data sourced from Tourism Economics which provided ample evidence that SLO CAL is leading the competitive set in both demand and room revenue over the past two years compared to 2019. Many of the competitors were either closed for periods of time during Covid, and are now returning strong, or had strong ups and

downs, while SLO CAL remained open and stayed consistent. Davison provided an update on the Morgan Stanley account and requested committee feedback on whether to move some of the cash-on-hand to the laddered approach that was previously used for CD and corporate bond accounts. The committee agreed to move \$525,000 cash to a laddered CD account. Davison shared that ACH payments are now possible, and the process for \$10k or higher is identical to check payments of \$10k or higher. Davison announced his invitation from former Assemblymember Sam Blakeslee to join a newly formed Countywide Homelessness Council which will help guide the government on how to reduce homelessness, with the goal of decreasing homelessness by 50% in 5 years. The 7 Commissioners will be established at the County Board of Supervisors meeting on August 23. Both Cartier and the Committee agreed that it is an increasingly challenging but important issue to get involved with and it speaks volumes that Davison was asked to participate. Davison shared a recap of Destinations International's annual conference which took place in Toronto from July 18-21, and Davison spoke on a panel session titled "Sustainable Funding Builds Sustainable Tourism." In addition to Davison, the conference was attended by VSC staff: Cathy Cartier, David Fields, Tracy Campbell. Davison highlighted the July 29 meeting with Shipyard and SBP which included discussing the plan to update creative assets and SBP undergoing an overall brand refresh which may include a name change. Davison shared an advocacy update which included the Federal Employee Lodging Per Diem Rate issue, a STR letter of support, and a letter of support for Uplift Central Coast. Davison recapped the July 28 Industry Council Roundtable Meeting with Senator Laird, where discussion was focused on Laird's FY 2022-23 CA State Budget and Legislative Priorities, Fire Insurance Coverage increases for business owners, the State Employee Short-Term Lodging Per Diem Rate, and the Oceano Dunes Economic Impact and Mitigation. Davison shared a staffing update: Cozette Skupny, Director of HR joined the team on August 1, Cynthia Gonzalez, Director of Sales will join the team on August 29, and a newly hired Digital & Social Media Producer will join in late August or early September. Davison noted the two open positions: Graphic Designer and Event Manager. Davison highlighted an air service update, noting that the Seattle and Dallas flights will move to larger planes. Davison shared his upcoming travel schedule.

Public Comment – None.

Committee Discussion.

BUSINESS ITEMS

5. Office Buildout Update

Davison shared an update on the new office space for VSC, highlighting the expenses incurred to date totaling \$195,544 which includes TI, IT support, interior design, FFE, moving costs, remodel costs. Davison shared a list of the additional expenses expected, totaling \$179,500 with the bulk of the cost being capital expenses and falling under interior design and FFE (\$133,000). Davison requested committee approval to increase the office buildout budget from \$197,000 to \$375,000.

Public Comment – None.

Committee Discussion.

ACTION: Moved by Pearce/Eads to approve the additional funding as presented for completing buildout of new VSC office.

Motion carried: 4:0

6. World Surf League Sponsorship

Davison shared an update on his and Cartier's recent trip to Huntington Beach to meet with the World Surf League organizers at the WSL World Finals. The discussions centered on advancing the SLO CAL Open from a 1000 series to a 3000 series, in partnership with the Pismo Beach CVB. The increase would attract a higher caliber of surfers, add additional days to the competition thus adding additional hotel room nights booked in a non-peak period, and additional exposure for the destination. The 3000 series would be the only one that takes place in California and would require an additional \$130,000 in funding combined with VSC's contribution, local sponsorships, and the Pismo Beach CVB. Davison requested Committee approval for the sponsorship increase in lieu of Board review due to timing, contingent on Pismo Beach CVB's approval.

Public Comment – None.

Committee Discussion. Pearce commented that this move makes sense and there are so few opportunities such as this, and this is a great opportunity as it provides coverage for the whole region.

ACTION: Moved by Sohi/Pearce to approve the increased annual Visit SLO CAL WSL sponsorship funding to \$100,000, elevating SLO CAL Open Pismo Beach to a 3000 series competition.

Motion carried: 4:0

7. Luxury Forum Update

Davison provided an update on the Luxury Forum (October 23 –26) and highlighted the recent site visits with Connections Luxury. Davison shared that the City of SLO has approved full closure of Garden Street for a special farmer’s market experience; Monday night’s dinner will be an oceanfront experience at The Cliffs, with a closing dinner on Tuesday in Paso. Davison noted that there will be an invitation only SLO CAL lodging owners’ reception with Caroline Beteta, President & CEO of Visit California on Sunday afternoon, prior to the opening night dinner. Davison noted that the next steps are to finalize several items: contracts for the venues, permitting for SLO street closure, experiences list, and buyer list.

Public Comment – None

Committee Discussion.

8. Travel Trade & Marketing Update

Cartier provided an update on recent marketing initiatives which included the results of the recently completed Brand Awareness Study which was conducted by Heart & Mind Strategies. The purpose of the study was to gauge the impact on The Land Of... campaign. The study showed that 97% of ads have a favorable impression which is extremely rare and unprecedented, most ads score a maximum or 70-80%. The study also found that the ad campaign’s expected economic contribution is over \$1.4B, with expected room tax revenue generated by the campaign is \$6.9M. Cartier highlighted the recent Land of 2.0 asset shoot, which focused on new assets to increase cross-visitation among communities. Cartier shared the plans for a content partnership with WTTC, in which a case study will be done via a destination spotlight video series to showcase the development and growth of sustainability. The video series is guaranteed to earn more than 250,000 views via WTTC’s social media channels, and filming will take place in September. Cartier highlighted the upcoming Destination Summit on November 10 at Embassy Suites and will feature an annual address on the state of local and global tourism, with additional keynote speakers and panels.

ADJOURNMENT

Adjourned at 1:59pm.