



MINUTES

Visit SLO CAL Executive Committee

Visit SLO CAL Executive Committee Meeting Minutes

Monday, October 15, 2018

11:30am

Visit SLO CAL Conference Room
1334 Marsh Street, San Luis Obispo, CA 93401

1. CALL TO ORDER: Clint Pearce

PRESENT: Mark Eads, Jay Jamison, Clint Pearce

ABSENT: John Arnold, Aaron Graves

STAFF PRESENT: Chuck Davison, Brendan Pringle

Call to Order at 11:36am.

2. PUBLIC COMMENT (On Non-Agenda Items)

None.

ANNOUNCEMENTS

RSVP today for Visit SLO CAL's Industry Educational Symposium, October 24, 2018 from 8:00am-12:00pm at the SLO Brew Rock.

CONSENT AGENDA

3. Approval of September 6, 2018 Executive Committee Meeting Minutes

Public Comment – None.

Committee Discussion.

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

Motion carried: 3:0

CEO REPORT

4. CEO Report

Davison reviewed U.S. Travel's Travel Trends Index for August 2018 versus August 2017. Pismo Beach appointed Mark Roemer (GM - Hilton Garden Inn) to their appointed seat on the Visit SLO CAL Board. Mark Eads has offered to become his Board Mentor, bringing him up to speed on key initiatives and acting as a resource for him. Aaron Graves has offered to become Hemant Patel's Board Mentor. Production is now underway for Visit California (VCA)'s "Parents Love It" TV spot,

and VCA's crew filmed a scene at the Oceano Dunes on October 5, 2018. The spot will launch this December in the US and 5 other international markets, supported by VCA's \$30M advertising investment. The FY2017/18 Annual Report has been printed and mailed to the County Board of Supervisors, Board of Directors, Marketing Committee, city managers and city council members. The FY2017/18 Year-End Satisfaction Survey has generated 104 responses thus far. Davison encouraged the Committee to fill out the survey and share it with stakeholders before the deadline of October 19, 2018. Davison reported out on the VCA Board Meeting on October 5, and the Committee viewed VCA's Dream Drive recap video. Davison noted that Visit SLO CAL's legal counsel has been fighting a legal firm that demanded money for an unpermitted use of a photo placed on the VSC website back in 2012. Morro Bay has also received a similar demand notice, and the issue was discussed at last week's Marketing Committee meeting to make sure other DMOs are monitoring their sites as well. On September 19, Visit SLO CAL partnered with Assemblyman Cunningham to convene a property owners Hotel & Lodging Industry Advisory Meeting, which included owners from across the region. This meeting was a unique opportunity for key property owners to discuss priority legislative issues impacting travel and tourism. At the request of the City of Paso Robles, Visit SLO CAL met with the City of Paso Robles, Travel Paso, the Paso Chamber, and John Arnold to discuss relationship challenges and perceptions, and to outline a more positive path forward. VSC is scheduling a follow-up meeting with North County to better understand how VSC might assist with their goals. AMGEN Tour of California is returning to SLO CAL for the third time in four years. AEG, which organizes the race, has selected Morro Bay for a finish on May 15, 2018 and Pismo Beach for a start on May 16, 2018. Both communities are working to determine if they can accept the event, and VSC has allocated \$50k in the FY18/19 budget for this sponsorship. Due to the date change for the November Board meeting, VSC needs to reschedule the November 15 Executive Committee. Davison floated possible alternative dates and requested feedback. The Central Coast Economic Forecast is happening on Friday, November 2. Davison reported out on recent local meetings and outlined his travel schedule for the months ahead.

Public Comment – None.

Committee Discussion. The Committee determined that the next meeting would be November 7, 2018 at 2:00pm.

BUSINESS ITEMS

5. Destination Management Strategy Update

Davison provided a progress update on the Destination Management Strategy (DMS). Visit SLO CAL held a Steering Committee Meeting on September 20, 2018 to review the visitor and community survey results for feedback and alignment. During the next Steering Committee Meeting on November 14, 2018, Visit SLO CAL and Resonance will review the Situational Analysis Report, and define priorities and scenarios going into the Visioning Workshops in December. Christine Robertson, VSC's Vice President of Community Engagement & Advocacy, has been meeting with leaders of every local BID and Chamber to provide an update on research findings and next steps. Davison also outlined the upcoming stages of the DMS process.

Public Comment – None.

Committee Discussion.

6. TMD Renewal Update

Davison provided an update on the TMD renewal process. Visit SLO CAL's contract with Civitas for the TMD renewal was finalized on September 20, 2018, and Davison had a call with them on October 5 to discuss the proposed changes to the Management District Plan. The first draft is expected this week. Staff will proceed through draft revisions based on what we know and the direction we've received from the Committee and Board thus far, and will bring the revised draft back to the Committee before or at the next Executive Committee meeting. Davison reviewed the proposed changes, including changing the number of Board seats from 15 to 19 by adding at-large seats for additional lodging investors to allow more participation throughout the region. Davison reported out on his meetings with key lodging partners regarding the TMD renewal. He noted that he will continue having 1:1 discussions with lodging owners, general managers and regional managers (including Board members), leading up to the next Executive Committee meeting in November. VSC will finalize the Management District Plan draft in November and meet with municipal governments and the County to achieve buy-in

on the Plan in December. The petition process will happen in Winter 2018/19, followed by the city and county hearing process in Spring-Fall 2019, and the renewal process will conclude with the completion of the final Board of Supervisors hearing on December 2019.

Public Comment – None.

Committee Discussion – Jamison noted that it would be valuable to have more lodging representatives on the Board to relay information back to each community.

7. Strategic Direction & Alignment

Davison noted that the Board approved Visit SLO CAL's Strategic Direction 2020 in June 2016, but that in recent months, concerns have continued to be expressed over the direction of the organization on initiatives like the Destination Management Strategy and involvement in partnerships to grow economic development for the region, even though both align with the Strategic Direction 2020. Davison reviewed some of the concerns of past Board member JP Patel, who VSC met with after the July Board meeting. He noted that these concerns continue to resurface in his discussion with other Board members and lodging partners, who have said that there is some confusion on information being shared among the Board about VSC's work and the renewal. This has left some of our Board members frustrated. Davison asked the Committee for direction on how to get the Board and the Executive Committee on the same page to avoid stumbling blocks in the future.

Public Comment – None.

Committee Discussion – Pearce and Jamison offered to hold the Board and Committee accountable to the strategic direction that they approved in June 2016.

8. Administrative Cost Discussion

Earlier this year, the California Supreme Court revised the guidelines that are used to identify individuals who work with a business as independent contractors, creating a new "ABC test." Davison noted that the second component of the test is the most impactful to VSC's business operations: "If the worker has an established trade or a business that they customarily engage in." Our Film Commission Liaison and our Cal Poly interns are all contractors who perform business functions that Visit SLO CAL advances. As such, our HR representative at Morris & Garritano is advising us that we are taking a risk by not adding these positions as employees. In addition to increasing costs as a whole, this will also increase the percentage of the budget that we allocate to payroll. Our administrative cost ceiling has risen with low unemployment and the need to attract talent for the roles that we need to fill, but this CA Supreme Court ruling will again increase administrative costs. We risk being out of compliance and potentially facing a lawsuit in the future unless these contractor guidelines are re-defined. Davison provided an update on the Brand & Digital Manager position, which is likewise being called into question as a contractor role. On a similar note, VSC is seeing that the amount of hours necessary to perform its monthly accounting functions surpasses that of a part-time controller, and this position might need to be re-explored as well. Davison requested feedback from the Committee on how they are dealing with this legal change in their own businesses.

Public Comment – None.

Committee Discussion – Pearce noted that if Visit SLO CAL has to absorb the cost of current contractors into payroll in order to stay in compliance, then the organization should do it. Davison agreed to reach out to VCA's attorney to get feedback on how they are managing to this requirement.

9. Marketing Update

Davison provided an update on travel trade efforts and key marketing initiatives. He also reported out on paid, earned and owned media results.

Public Comment – None.

Committee Discussion.

ADJOURNMENT

Meeting adjourned at 1:25pm.