

Visit Huntington Beach
Executive Committee Meeting Minutes
Thursday, January 24, 2019
2:30 p.m. – 4:00p.m.
Hyatt Regency Huntington Beach Resort and Spa
Goldenwest Room
21500 Pacific Coast Highway
Huntington Beach, CA 92648

Public Notice Information: In accordance with the Ralph M. Brown Act, VHB agendas are available for public review outside the City of Huntington Beach Council Chambers at 2000 Main Street at least 72 hours prior to each meeting. The agendas are also posted on the VHB website at surfcityusa.com. Questions on agenda items may be directed to Kelly Miller, VHB President/CEO, at (714) 969-3492 or Kelly@surfcityusa.com.

VHB Mission: To position Surf City USA® as the preferred California beach destination in order to maximize **overnight visitor** spending, **destination development** and **quality of life** for all residents.

MINUTES

- I. Call to Order and Antitrust Reminder (*see reverse*) by Chair Justin Simpson: **2:36pm**
- II. Roll Call:
Present: Fischer (The Waterfront Beach Resort, a Hilton Hotel), Mantini (Individual-at-large with interest in tourism), Rice (The Hyatt Regency Resort & Spa), Simpson (Kimpton Shorebreak HB Resort), Szilagyi (Best-VIP Chauffeured Worldwide); Thompson (First Bank)

Absent: Leinacker (Paséa Hotel and Spa), Solanki (Ocean Surf Inn & Suites)

Additional Attendees: Kelly Miller (VHB), Steffany Sensenbach (VHB)
- III. Announcement of Late Communications: **None**
- IV. Public Comments — Chairperson (limited to 3 minutes/person):
VHB welcomes public comments on all items on this agenda or of community interest. We respectfully request that this public forum be utilized in a positive and constructive manner. Please focus your comments on the issue or concern that you would like to bring to the attention of the Executive Committee. None
- V. Consent Agenda (Nicole Thompson, Treasurer)
 - a. Latest TOT / TBID Reports
 - b. CBRE/PKF / STR Reports
 - c. Current Financials, if available
 - d. Minutes from previous Executive Committee Meeting
 - **Reports**
TOT receipts for the month of November 2018 were up 25.1%. Year to date TOT revenue for July 2018 through November 2018 totaled \$6,417,789, an increase of 19.6% over FY 17-18. (**Note: FY 17/18 only includes months October- June due to FY change. FY 18/19 includes new FY months July-June**) This resulted in a positive change in TOT collections of \$1,051,808 more revenue collected by the City over FY 17-18.

TBID receipts for November 2018 were up the same percentage, 25.1%, and YTD revenue is up 19.6% over the previous FY. Total TBID receipts now total \$1,925,352, or an increase of \$3145,557 over the previous FY.

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CBRE/PKF report for November 2018 reflects that for the *four reporting major properties* in November, Average Daily Rate was \$251.17, up 7.5% from November 2017. Monthly occupancy was up 12.9% to 69.75%, and RevPar was up 21.4%, to \$175.20 for the month.

- **For January through November 2018**, ADR was \$282.75, or up 4.6%, Occupancy was up 9.0% to 76.37%, and RevPar was up 13.9% to \$251.94.

STR report for December 2018 is for the *11 reporting properties*. Occupancy was up 1.9% to 57.6%, ADR was up 7.9% to \$201.38, and RevPar was up to \$115.99, an increase of 10.0%.

- **For January through December 2018 versus the same period in 2017**, Occupancy is up 0.3% to 74.3%, ADR was up 3.7% to \$233.60, and RevPar was up 4.0% to \$173.56.
- **Hotel inventory supply for December** was up 8.4%, demand was up 10.5%, and revenue was up 19.2%.
- **Year to date for January through December 2018** shows that hotel room supply is up 12.9%, demand is up 13.3%, and revenue is also up 17.5%.

FINANCIAL STATEMENTS: Draft Financials for September 2018 have been prepared. They are under staff review so any invoice coding adjustments for FY 17-18 can be made. Draft Financials for September 2018 will be presented to the Executive Committee and Full Board when all invoice coding adjustments have been made. Final September 2018 Financials will be presented to the Executive Committee and Full Board when the audit is complete.

- Motion to accept the Consent Agenda made by Rice. Seconded by Fischer. All approve. None oppose.

VI. Chairman's Report (Simpson)

- Last Tuesday, the City Council voted to 7-0 to approve VHB's TBID funding for 9 years and 5 months

VII. President & CEO Updates (Miller)

a. TOT/TBID Long Term Agreement

- i. VHB staff is glad that funding is locked down for the long-term
- ii. City staff, VHB staff and VHB Board members worked hard to help everything come together smoothly
- iii. Effective date will be February 1, 2019

1. Hotel GM's noted that they have not received any information from the City regarding the February 1st effective date. Kelly Miller will follow up with the City to see when notifications were sent.

b. Communitywide Wayfinding

- i. More fabrication and installation are underway
- ii. Parking signs for the parking decks downtown are being fabricated
- iii. City is working with CalTrans to get some items approved

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- iv. There has been a sizable amount of expenditures on changes orders due to private lines and utility lines that run parallel streets that the City was not aware of. This required hand digs, which are most costly than machine digs.
 - c. New Office Space
 - i. Demo will start soon. Framing will start shortly after.
 - ii. Spaced will be chalked out for the VHB team's final approval on size and location of the office spaces
 - iii. 150 square feet of retail space will be included in the front part of the new space.
 - iv. VHB team is working remotely
 - 1. Meet with everyone once a week
 - 2. Communicate daily on Team Chat
 - d. DestinationNext
 - i. Presentation by DestinationNext on Wednesday, January 30th
 - ii. This is the benchmark on where we are on community approval
 - iii. There were over 300 community residents that responded to the survey
 - e. U.S. Travel Association IPW California Beach Festival
 - i. VHB is talking with several firms to run the beach event co-sponsored with the City of HB on Monday, June 3rd from 5:00pm – 10:00pm with official hours being 6:30 PM – 9:30 PM.
 - ii. Will be partially at Pier Plaza and partially on the beach
- VIII. Brief Department Updates (Miller)
- a. Sales
 - b. Marketing and PR
 - c. Film & Travel Trade
 - d. Visitor Services and Information Technology
 - Kelly Miller gave a brief update of events and accomplishments of all VHB departments
- IX. Next Executive Committee Meeting: **Thursday, February 21st, 2:30 PM – 4:00 PM, The Waterfront Beach Resort, a Hilton Hotel, Room TBD**
- X. Adjournment: **3:45pm**

Key dates to remember:

Next FULL BOARD MEETING: **Wednesday, January 30th, 8:30am – 10:00am, Kimpton Shorebreak HB Resort, Room TBD**

DestinationNEXT Reports: HB as a Visitor Destination Today and into the Future

Surf City Marathon: **February 3rd**

Chinese New Year/ Year of the Pig: **February 5th**

Valentine's Day: **February 14th**

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ANTITRUST COMPLIANCE POLICY

It is the policy of Visit Huntington Beach (VHB) to comply fully with the antitrust laws of the United States and the State of California. In order to assure full compliance, the following policies and procedures are to be followed by all employees and stakeholders of VHB and by representatives of any stakeholders of VHB.

At any meeting of the directors of VHB or any committees of VHB, or at any meeting where any employee of VHB is present or where VHB is in any way involved, there shall be no discussion of the following:

- A. Prices or rates for hotel or motel rooms, food and beverage, transportation, sightseeing, or other services or facilities of stakeholders, including but not limited to prices or rates to be charged to convention groups, tour groups or tour operators, including off-season prices or discounts;*
- B. Changes or proposed changes in the prices or rates of hotel or motel rooms, food and beverage, transportation, sightseeing, or other services offered to customers of the hotel and motel industry;*
- C. Formulas, procedures, or means for the establishment and determination of prices, rates, discounts, terms, and conditions or rental;*
- D. Plans of individual stakeholders covering increases or reductions in distribution or marketing of particular products or services.*
- E. Restrictions on legal advertising or promotional activities.*
- F. Matters relating to actual or potential suppliers or customers that might have the effect of excluding them from any market or of influencing others not to deal with them.*

MEETING ASSISTANCE NOTICE – AMERICANS WITH DISABILITIES ACT

In accordance with the Americans with Disabilities Act the following services are available to members of our community who require special assistance to participate in EDC meetings. If you require special assistance, 48-hour prior notification will enable VHB to make reasonable arrangements. To make arrangements for an assisted listening device (ALD) for the hearing impaired, American Sign Language interpreters, a reader during the meeting and/or large print agendas, please contact Steffany Sensenbach at (714) 969-3492.