

Visit Huntington Beach
Board of Directors Meeting Minutes
Wednesday, January 30, 2019
Kimpton Shorebreak HB Resort/ Epic 3 Room
500 Pacific Coast Highway
Huntington Beach, CA 92648
8:30 a.m. to 10:00 a.m.

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

1. Call to Order and Antitrust Reminder (*see reverse*) by Chair Justin Simpson: **8:35am**

2. Roll Call:

Present: Simpson (Kimpton Shorebreak Hotel), Ali (Zack's Surf Shop), Bernardo (World Surf League), DeSoto (Experian), Fischer (Waterfront Beach Resort, A Hilton Hotel), Mantini (Retired-The Boeing Company), McCormack (Timeless Treasures Boutique LLC), Carpenter (Huntington Beach Chamber of Commerce), Patel (Quality Inn & Suites Huntington Beach), Rice (Hyatt Regency Resort & Spa), Rogers (Rogers Marketing Services/ 5th & PCH), Szilagyi (Best-VIP Chauffeured Worldwide), Thompson (First Bank), Townend (The ActivEmpire) Truxaw (Mama's Restaurant on 39), Unvert (John Wayne Airport).

Absent: Adams (Bolsa Chica Conservancy), Barnes (Duke's Huntington Beach), Killey (Republic Services), Leinacker (Paséa Hotel and Spa), Solanki (Ocean Surf Inn & Suites), Torrence (VHB Ambassador Emeritus),

Additional Attendees:

John Ehlenfeldt (VHB), Nicole Llido (VHB), Kelly Miller (VHB), Steffany Sensenbach (VHB), Susan Thomas (VHB), Jennifer Tong (VHB), Sophia Valdivia (VHB)

Paul Ouimet (DestinationNext)

3. Announcement of Late Communications (Justin Simpson): **None**

4. Public Comments — Chairperson (limited to 3 minutes/person):

The 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 Board. **None**

5. Presentation by LA Times to VHB Board (Thomas)

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6. Consent Agenda (Nicole Thompson): Action Item

- a. Approval of previous Meeting Minutes
- b. Latest TOT/TBID
- c. Latest CBRE (PKF)/ STR Reports
- d. Current financial statements (if available)

- **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.

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 McCormack. All approve. None oppose.

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7. Destination Next Presentation
- Paul Ouimet from Destination Next presented the results of the months-long survey given to Stakeholders in Huntington Beach
 - Their goal was to provide VHB with this powerful this assessment tool, and practical actions and strategies for sustainable success
 - There were 101 Participants in the Stakeholder's Survey
 - o 37% Tourism Stakeholders
 - o 31% Community Leader
 - o 17% DMO Management Team
 - o 9% Customers
 - o 6% DMO Board Directors
 - Huntington Beach's Over Assessment by stakeholders was "Trailblazer," which is described as an established destination with strong community engagement.
 - Destination Strength Variables that were rated include:
 - o Brand
 - o Accommodations
 - o Attractions & Entertainment
 - o Air Access
 - o International Readiness
 - o Events
 - o Mobility & Access
 - o Convention & Meeting Facilities
 - o Communication & Internet
 - o Outdoor Recreation & Sports Facilities
 - Community Support & Engagement Variables that were rated include:
 - o Economic Development
 - o Industry Support
 - o Effective DMO Governance Model
 - o Regional Cooperation
 - o Hospitality Culture
 - o Membership Strength & Support
 - o Effective Advocacy Program
 - o Local Community Support
 - o Funding Support & Certainty
 - o Workforce
 - Key take-aways:
 - o HB is currently in the Trailblazers quadrant with above-industry average destination strength and community support & engagement
 - o Stakeholders are aligned on perceptions about destination and community support
 - o Destination Opportunities:
 - Innovative destination
 - Arts & cultural attractions
 - Historical & cultural tours

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- Main street to support the brand
- International readiness
- Public transportation
- Long-term meeting facilities
- Public Wi-Fi
- Sporting venues
- Tours for outdoor enthusiasts
- Community Support & Engagement Opportunities
 - Tourism master plan
 - Residents perception of tourism
- Mr. Ouimet briefly reviewed the results of the months-long survey given to the Public in Huntington Beach. The full presentation was given to the public at 5:00pm at the City Library.
 - There were 306 participants with survey variable that included:
 - Brand
 - Accommodation
 - Attractions & Entertainment
 - Air Access
 - International Readiness
 - Events
 - Mobility & Access
 - Convention & Meeting Facilities
 - Communication & Internet
 - Outdoor Recreation & Sports Facilities

8. Chairman's Report (Justin Simpson): **None**

9. President & CEO Updates (Kelly Miller)

- a. TOT/TBID Long Term Agreement
- b. New VHB Office Space
- c. Communitywide Wayfinding
- d. U.S. Travel Association
- e. IPW California Beach Festival, June 3, 2019, 6:30 PM – 9:30 PM, Pier Plaza
- f. NAMM Convention in Anaheim

Note: Due to the presentation/ full agenda, we were unable to get to updates from VHB's President & CEO. Kelly Miller was available to answer any specific questions board members may have had about the monthly update topics.

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10. Brief Department Monthly Updates (Staff)
 - a. Sales
 - b. Marketing and PR
 - c. Film & Travel Trade
 - d. Visitor Services and Information Technology

Note: Due to the presentation/ full agenda, staff did not provide specific updates. Written updates were included in the board packets. Staff was available to answer any questions board members may have had about the monthly updates.
11. City of Huntington Beach Update (Kellee Fritzel)

Note: Due to the presentation/ full agenda, there was no update from the City of HB at this meeting. Updates will be given at the next VHB Full Board Meeting.
12. Huntington Beach Chamber of Commerce Update (Jeny Carpenter)

Note: Due to the presentation/ full agenda, there was no update from the HB Chamber of Commerce at this meeting. Updates will be given at the next VHB Full Board Meeting.
13. Open Discussion/Announcements: **None**
14. Adjournment: **10:04 am**

Key Dates to Remember:

- Next FULL BOARD MEETING: **Tuesday, March 26th, 3:30pm – 5:00pm, Kimpton Shorebreak HB Resort, Room TBD**
- 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.*

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