

**Visit Huntington Beach
Executive Committee Meeting Minutes**

Thursday, March 22, 2018
2:30 p.m. – 4:00 p.m.
Paséa Hotel and Spa, *Room TBD*
21080 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 - **2:35pm**
- II. Roll Call:
Present: Fischer (The Waterfront Beach Resort, a Hilton Hotel), Leinacker (Paséa Hotel and Spa), Mantini (Individual-at-large with interest in tourism), Rice (The Hyatt Regency Resort & Spa), Simpson (Kimpton Shorebreak Hotel), Thompson (First Bank)

Absent: Solanki (Ocean Surf Inn & Suites), Szilagyi (Best-VIP Chauffeured Worldwide)

Additional Attendees:
Brett Barnes (Duke's Huntington Beach)
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 and Kelly Miller)
 - a. Latest TOT / TBID Reports
 - b. CBRE/PKF / STR Reports
 - c. Current Financials
 - **TOT receipts for the month of January 2018** were up 11.7%. Year to date TOT revenue for October 2017 through January 2018 totals \$3.11 million, an increase of 11.7% over FY 16-17.
 - **TBID receipts for December 2017** were up the same percentage, 11.8% (note, the report shows TOT up 11.7% and TBID up 11.8%. I think it's a rounding deal with the City. No biggie), and YTD revenue is up 11.7% over the previous FY. Total TBID receipts now total \$936,037 for the first three four months of the FY.

**Visit Huntington Beach
Executive Committee Meeting Minutes**

Thursday, March 22, 2018

2:30 p.m. – 4:00 p.m.

Paséa Hotel and Spa, *Room TBD*
21080 Pacific Coast Highway
Huntington Beach, CA 92648

- **TOT/TBID receipts for Hotels over 151 Rooms** for the same month were up 3.3%, and up for the FY 4.7%. **Receipts for Hotels under 150 rooms** were up 68.2% for January and up 56.7% for the FY.
- **TOT/TBID receipts Sunset Beach for January 2018** were up 12.6%, and 4.1% for the FY.
- **CBRE/PKF report for January 2018** reflects that for the *four reporting major properties* in January, **Average Daily Rate** was up 3.3% to \$240.48, **Occupancy** was up 7.7% to 57.95%, and **RevPar** was up 11.2% to \$139.35. These monthly totals are the same as the YTD as this is the first month of the calendar year.
- **Smith Travel Report (STR) for February 2018** for the *11 reporting properties in February*, **Occupancy** was down 3.3% to 70.1%, **ADR** was down 1.7% to \$210.19, and **RevPar** was down 4.9% to 147.42. YTD numbers for the first two months of the FY are: **Occupancy** down 3.2% to 63.6%, **ADR** down 1.2% to \$203.14 and **RevPar** down 4.4% to \$129.25.
 - Looking at the same report, **Hotel Inventory supply for February** was up 16.4%, **Demand** was up 12.6%, and **Revenue** was up 10.7%. YTD for Jan-Feb are: **Supply** up 16.4%, **Demand** was up 12.6% and **Revenue** was up 11.2%.
- Current financials are delayed due to a glitch in the Financial Edge program that is throwing the financials off balance. VHB is working to correct the problem.

Motion to approve the Consent Agenda made by Rice. Seconded by Mantini. All approve. None oppose.

VI. Chairman's Report (Simpson)

- Update on TOT
 - The hotels met with the City of HB last Thursday
 - The City wanted feedback on forecasting TOT and Occupancy for the months of July 2018 through June of 2019. Looking at a 10% increase in TOT for next FY

VII. President & CEO Updates (Miller)

- a. Recap of the Annual Tourism Summit at the Kimpton Shorebreak Hotel
 - VHB received good feedback
 - Will be considering having this on an annual or semi-annual basis
- b. Air Show and ISA World Juniors Surfing Championships
 - Brett Barnes spoke about importance of having the ISA Games in Huntington Beach
 - Last time these Games were in Huntington Beach was 2006 with 23 teams
 - They project for 2018 to have 50-55 countries represented, 400-600 athletes, and it's the world's best 18 and under surfers
 - It is important to have the ISA Games in HB to show we have the infrastructure to host the Olympics for surfing

**Visit Huntington Beach
Executive Committee Meeting Minutes**

Thursday, March 22, 2018

2:30 p.m. – 4:00 p.m.

Paséa Hotel and Spa, *Room TBD*
21080 Pacific Coast Highway
Huntington Beach, CA 92648

- Their original ask was \$150,000 - \$200,000. Through an innovative approach to be the Host City, ISA and VHB are working in concert to reduce the host fees:
 - The Host City Bid Fee is proposed to be \$100,000
 - The PR HB would receive is estimated to be about \$3,000,000 specific to the destination and nearly \$10,000,000 for the entire event.
 - The goal is not just to host in 2018. We want to be a qualifier for subsequent ISA events including the Olympic Trials and Games for future years.
 - The dates would be October 26 – November 4, 2018
 - The City is waiting to hear back from potential sponsors in the next 7-10 days
 - *Motion to*
 1. *Commit \$100,000 in initial bid fees to the ISA for Junior World Surfing Championship 2018;*
 2. *Direct staff to work diligently with potential co-partners and stakeholders to leverage VHB's investment to gain the greatest return on investment possible.*
 - *Motion made by Simpson. Seconded by Mantini. All approve. None oppose.*
 - Kelly gave a brief update on the Air Show for 2018. VHB will continue to work with the City and potential event producers for this year's event.
- c. HBISM
- Brett Barnes gave brief update on the future development of the International Surfing Museum
- d. Community Wayfinding Project and Central Park
- Wayfinding continues to move forward
 - Kelly made a presentation to the Central Park committee about how their vision of Park signage could interface with the communitywide program
- e. Shaping Up Surf City USA
- Kelly met with AES and some staff at the City regarding temporary graphic signage along the 800-foot fenced area (Beach and PCH)
 - AES will replace fence at their cost
 - Screen will then go over the new fence
 - We are also working with the City on restroom cleanup and maintenance schedules
- f. Downtown BID
- Matt Peterson, Chair of Downtown BID, and co-owner of Legends, has been working diligently with the City to tackle some reoccurring issues affecting perception of downtown
 - Chief Handy has signed a contract for additional private security throughout the City of HB for \$100,000 on an as-needed basis
- g. Placemaking Strategic Plan
- Councilmember Lyn Sementa to bring an H-item to the City Council in April regarding the City having a Public Art Master Plan

**Visit Huntington Beach
Executive Committee Meeting Minutes**

Thursday, March 22, 2018

2:30 p.m. – 4:00 p.m.

Paséa Hotel and Spa, *Room TBD*

21080 Pacific Coast Highway

Huntington Beach, CA 92648

h. OC Sports Commission

- Anaheim is going forward with forming an OC Sports Commission.
- VHB will likely be part of this effort, depending on what are the defined benefits and return on investment for VHB's investment

i. Water Damage at VHB Offices

- VHB offices were flooded by a contractor working on a remodel of a condo a floor above us
- We have been working on packing everything up and preparing for the repairs to be done
- VHB staff is currently working remotely

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 on events and accomplishments of all VHB departments.

IX. Next Executive Committee Meeting: **Thursday, April 26th, 2:30 PM – 4:00 PM**, Paséa Hotel and Spa, *Room TBD*

X. Adjournment – **3:40pm**

Key dates to remember:

- Next FULL BOARD MEETING: **Tuesday, March 27th, 3:30pm – 5:00pm** at the **Hyatt Regency Huntington Beach Resort and Spa**, *Fountain Room and Foyer*.

**Visit Huntington Beach
Executive Committee Meeting Minutes**

Thursday, March 22, 2018
2:30 p.m. – 4:00 p.m.
Paséa Hotel and Spa, *Room TBD*
21080 Pacific Coast Highway
Huntington Beach, CA 92648

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.