

**Visit Huntington Beach
Executive Committee Meeting Minutes**

Tuesday, July 31, 2018
2:30 p.m. – 4:00p.m.
Paséa Hotel and Spa
Meeting 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), Mantini (Individual-at-large with interest in tourism), Rice (The Hyatt Regency Resort & Spa), Simpson (Kimpton Shorebreak Hotel), 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. Great Pacific Airshow Presentation on Potential VHB Sponsorship: Code Four
- *Note: Code Four will be joining the August VHB Executive Committee Meeting to discuss what the longer relationship will be with the hotels for the Airshow.*
- VI. Consent Agenda (Nicole Thompson, Treasurer and Kelly Miller)
 - a. Latest TOT / TBID Reports
 - b. CBRE/PKF / STR Reports
 - c. Current Financials
 - d. Credit Card Maximum Limit Increase
 - **TOT receipts for the month of May 2018** were up 17.1%. Year to date TOT revenue for October 2017 through May 2018 totaled \$7,277,621, an increase of 13.3% over FY 16-17. This resulted in a positive change in TOT collections of \$852,414 more revenue collected by the City over FY 16-17.

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- On Page 2, **TBID receipts for May 2018** were up the same percentage, 17.1%, and YTD revenue is up 13.3% (rounded up) over the previous FY. Total TBID receipts now total \$2,183,684, or an increase of \$256,099 over the previous FY.
- **CBRE/PKF report for May 2018** reflects that for the *four reporting major properties* in May, Average Daily Rate was \$262.05, up 4.2% from May 2017. Monthly occupancy was *down* 3.9% to 65.46%, and RevPar was up 0.2%, to \$171.54 for the month.
 - **Looking at the same report for January through May 2018**, ADR was \$258.39, or up 3.6%, Occupancy was up 3.3% to 70.05%, and RevPar was up 7.0% to \$181.01.
- **STR report for June 2018** is for the *11 reporting properties*. Looking at Tab 2, Occupancy was up 0.9% to 82.9%, ADR was up 1.0% to \$240.49, and RevPar was up to \$199.43, an increase of 2.0%.
 - **Looking at the same report on Tab 2 for January through June 2018 versus the same period in 2017**, Occupancy is down 2.7% to 73.2%, ADR was up 1.4% to \$220.79, and RevPar was down 1.3% to \$161.68.
 - On Tab 3, **hotel inventory supply for June** was up 16.5%, demand was up 17.6%, and revenue was up 18.8%.
 - **Year to date for January through June 2018** shows that hotel room supply is up 16.4%, demand is up 13.3%, and revenue is also up 14.9%.
- **Financial Reports** will be reviewed at the next VHB Executive Committee Meeting.
 - **Motion to approve the Consent Agenda made by Mantini. Seconded by Simpson. All approve. None oppose.**
- **Credit Card Maximum Limit Increase:** Employees are travelling more and while *individual* credit card limits are not being exceeded, the overall credit limit, at times, is.
 - **Motion made to increase VHB's overall company credit card limit to \$100,000 made by Rice. Seconded by Thomson. All approve. None oppose.**

VII. Chairman's Report (Simpson). **None**

VIII. President & CEO Updates (Miller)

- a. Lease Options for VHB Offices
 - VHB has hired CBRE to help in locating a new space to move the VHB office. CBRE have been presenting a variety of office locations within a 2-mile radius of the beach for VHB to consider
 - Our current lease expires December 2018. JT Development has decided not to renew VHB's office lease after December 2018.
 - We are looking for 4000 – 5000 square feet which hopefully will include a board room
 - CBRE has given us five options to consider so far and VHB staff are doing site inspections
- b. Long Term Revenue Strategies: Kelly will be meeting with City elected officials and City staff to explore various options regarding long term funding via TOT and TBID revenues.

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- c. Communitywide Wayfinding: The wayfinding team is excited that we will be doing site digs in August with installations beginning in late August or early September.
 - d. VISSLA ISA 2018 World Juniors Surfing Championship Update: Planning for the Worlds are going well. The VHB team has been meeting with ISA, VISSLA and the City every other week and plans are really shaping up well for the October 27-November 4 event in HB.
 - e. Shaping Up Surf City USA: Ten portable restrooms were delivered just north of Zach's in time for the rest of the summer season including the U.S. Open. The reports from City staff and others are that these ten additional toilets are making a huge difference in restroom wait lines and times. Also, VHB has stepped up and paid for additional restroom cleanings for high volume public restrooms at the beach.
 - f. VHB Full Board Meeting Scheduling Discussion for Future Meetings: VHB will be finalizing the plan to reduce the number of annual full VHB Board meetings. This is aligned with other DMOs and will greatly reduce challenges of reaching a quorum for full Board meetings.
- IX. Brief Department Updates (Miller): Staff will send department updates to Exec Comm.
- a. Sales
 - b. Marketing and PR
 - c. Film & Travel Trade
 - d. Visitor Services and Information Technology
 - Department updates were not available for review at the time of the meeting. Updates will be sent out to VHB Executive Committee Members upon request or will be included in the August VHB Executive Committee Meeting.
- X. Next Executive Committee Meeting: **Thursday, August 30th, 2:30 PM – 4:00 PM**, *Kimpton Shorebreak HB Resort, room TBD*
- XI. Adjournment. **3:32pm**

Key dates to remember:

- XII. Next FULL BOARD MEETING: **Thursday, September, 2:30pm – 5:00pm**, *The Waterfront Beach Resort, a Hilton Hotel, Room TBD*
- XIII. SURF CITY USA SHUTTLE: **May 26th – September 3rd**
- XIV. VANS US OPEN OF SURFING: **July 28th – August 5th**

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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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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.