

SANTA BARBARA

THE AMERICAN RIVIERA®

Board of Directors Meeting

Friday, November 11, 2016

8:30am - 10:00am

Location: Visit Santa Barbara

AGENDA

Guest Speaker - Adam Hendel, Principal Engineer, City of Santa Barbara - Update on Lower State Street Construction Projects

Action Items

- | | |
|--|-----------------------|
| 1. Call to Order | Gwen Stauffer |
| 2. Antitrust Compliance | Gwen Stauffer |
| 3. Public Comment | Members of the Public |
| 4. Approval of Agenda | Gwen Stauffer |
| 5. Approval of Minutes of October 20, 2016 Meeting | Gwen Stauffer |
| 6. Approval of September 2016 VSB Financial Reports | Richard Nahas |
| 7. Approval of September 2016 TBID Financial Reports | Richard Nahas |
| 8. Approval of Resolution to Borrow | Janet Ames |

Discussion Items

- | | |
|---|-----------------------|
| 9. Marketing Update | Jennifer Walker |
| 10. Sales Update | Michelle Carlen |
| 11. Visitor Profile Study & Cruise Ship Economic Impact Study | Kathy Janega-Dykes |
| 12. Committee Reports | |
| • TBID Committee | Tom Patton |
| • Marketing Committee | Michael Cohen |
| 13. Community Reports | |
| • Hospitality Santa Barbara | Tom Patton |
| • Santa Barbara Airport | Hazel Johns |
| • City of Santa Barbara | Councilman Gregg Hart |
| 14. Upcoming Events | Kathy Janega-Dykes |
| • I AM Santa Barbara | November 10 |
| 15. Staff Reports | (on file) |
| 16. President's Report | Kathy Janega-Dykes |
| 17. Other Business | |
| 18. Adjourn | |

Next Board Meeting: Thursday, January 19th, 2017 8:30am - 10:00am **Location:** Visit Santa Barbara

SANTA BARBARA

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VISION: VSB is an innovative tourism leader and destination authority that embodies the spirit and personality of Santa Barbara.

NOTICE TO PUBLIC: You are welcomed and encouraged to participate in this meeting. Public comment is taken (3 minutes maximum per person) on items listed on the agenda when they are called. Public Comment on items not listed on the agenda will be heard at the meeting as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select one or two speakers to represent the opinion of the group. The order of Agenda items is listed for reference and may be taken in any order deemed appropriate by the Committee. The Agenda provides a general description and staff recommendations; however, the Committee may take action other than what is recommended.

BROWN ACT NOTICE: Government Code 54950 (The Brown Act) requires that a brief description of each item to be transacted or discussed be posted at least 72 hours prior to a regular meeting. Action may not be taken on items not posted on the agenda. Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Lynda Dees at 805-966-9222 at least 48 hours prior to the meeting.

ANTITRUST COMPLIANCE POLICY

It is the policy of Visit Santa Barbara (VSB) to fully comply 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 members of VSB and by representatives of any members of the organization.

At any meeting of the membership of VSB or any committees of VSB, or at any meeting where any employee of the organization is present or where VSB 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 members, 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 members covering increases or reductions in capacity or 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.*

SANTA BARBARA

THE AMERICAN RIVIERA®

Board of Directors Meeting Friday, November 20, 2016 Meeting Minutes

Attending: Michael Cohen, Karen Earp, Ed Galsterer, Richard Good, Steve Hinkley, Morgen McLaughlin, Paul Hoyle, Tara Jones, Shaun O'Bryan, Ryan Parker, Tom Parker, Shashi Poudyal, Gwen Stauffer, Luke Swetland, Richard Yates, Pamela Webber, Gregg Hart

Absent: Kristen Battaglia, Barry Dorsey, Richard Nahas, Kristen Weidemann, Hazel Johns,

Staff: Kathy Janega-Dykes, Lynda Dees, Janet Ames

Location: Visit Santa Barbara
500 E. Montecito Street
Santa Barbara, CA 93103

Speaker: Adam Hendel, Principal Engineer, City of Santa Barbara – Update on Lower State Street Construction Projects

Adam Hendel updated the group on the status of several lower State Street construction projects. He presented aerial photos of the area in 2015 vs. now. He specifically spoke about the progress of the Cabrillo Bridge project and progress along the 3 phases. Additionally, he also spoke about the La Entrada and Moxi projects both scheduled to open in January 2017. He went on to discuss the Mason Bridge Project as well as the Romasanto hotel construction.

1. Call to Order

Gwen Stauffer called the meeting to order at 8:52 a.m.

2. Antitrust Compliance

It is the policy of Visit Santa Barbara to fully comply with the laws of the United States and the State of California.

3. Public Comment

No public comment.

4. Approval of Agenda

Gwen Stauffer motioned to approve the agenda of the November 1th, 2016 Board meeting; Ed Galsterer moved to approve; Richard Good seconded; and the motion was passed unanimously.

5. Approval of Minutes of the October 20, 2016 Board meeting

Gwen Stauffer motioned to approve the minutes of the October 20th, 2016 Board meeting; Luke Swetland moved to approve, Richard Good seconded; and the motion was passed unanimously.

SANTA BARBARA

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6. Approval of September 2016 VSB Financial Reports

Janet Ames reported that VSB income co-op sales were up due to additional co-op sales for client events. Operations variances were in variable categories and would balance out.

Richard Good moved to approve the September 2016 VSB financials; Michael Cohen seconded; and the motion was passed unanimously.

7. Approval of September 2016 TBID Financial Reports

Janet Ames reported that actual numbers had just been received and all reported over budget for the month. YTD will also be over budget. Program variances were slight in several categories due to timing.

Ed Galsterer moved to approve the September 2016 TBID financials; Paul Hoyle seconded; and the motion was passed unanimously.

8. Approval of Resolution to Borrow

Janet Ames discussed the resolution to borrow from American Riviera bank with the group. This would be an unsecured line of credit, to be used in the event of a cash flow emergency.

Richard Good moved to approve the Resolution to Borrow; Michael Cohen seconded; and the motion was passed unanimously.

9. Marketing Update

Jennifer Walker updated the group on the marketing campaign, stating she was awaiting a full month's run to present results but so far the campaign has been well received. She also spoke about a few new initiatives including a retail promotion for Miss Nothing and an official drink of Santa Barbara contest. She also update on the guest speaker for the annual meeting and the opportunity to provide signage in the SB airport.

10. Sales Update

Michelle Carlen updated the group on Q1 results for her team. Year over year they are up 23% in sales leads and 37% in definite room nights. Additionally, there was a 25% increase in groups booked resulting in 59% increase in room nights. She also discussed the Sur la table cooking class in San Diego, IMEX participation and Cat & Jen's road trips including Chicago, Colorado, Los Angeles, Canada and London.

11. Visitor Profile Study & Cruise Ship Economic Impact Study

Kath updated the group on the completion of the Cruise Ship Economic study with results expected December 2nd. Additionally, the first quarter of the yearlong Visitor Profile Study has been completed and those results are expected in January.

12. Proposed Wine Ordinance

Morgen McLaughlin spoke to the group about updates to the County Wine Ordinance. This has been a 5.5 year project by the County that would make SB County the most restrictive in the

SANTA BARBARA

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State of California and the US for wineries. A decision was scheduled at the last supervisor meeting but she was able to get a special meeting on November 11th to allow more time. She discussed the risk to tourism and the financial impact. The ordinance would affect 191 wineries in the valley. She is asking the supervisors not to approve the ordinance as written but to allow the formation of a task force which would include 18 key stakeholders to present fair regulations in 6 months.

13. Committee Reports

- TBID Committee
Tom reported that projections are up and with the CPI increase in January there should be a slight increase in TBID funds as hotels bump into the next tier.
- Marketing Committee
Michael reported on the upcoming website co-op placement sale.

14. Community Reports

- Hospitality Santa Barbara
Tom updated the group on the upcoming political meet and greet on the 16th. He also spoke about their AGM and nominations for star of the industry awards. Lastly, he spoke about the discussion of the city wide smoking ban.
- Santa Barbara Airport
Kathy updated the group on the new airport consultant and upcoming meetings with Southwest, American Airlines, and Delta.
- City of Santa Barbara
Gregg updated the group on the water situation. The desalination plant is scheduled to go online in February or early March. This will leave the city shortage of water so the council will decide in a lawn watering ban will be put into place beginning in January. He also spoke about the smoking ban and revising the alcohol sales ordinance.

15. Upcoming Events

16. Staff Reports (on file)

17. President's Report

Kathy updated the group on the hire of a new GM at the Fess Parker as well as the Miramar.

18. Other business

No other business.

19. Adjourn

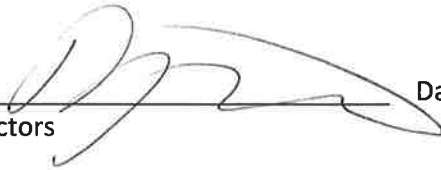
With no other business, the meeting was adjourned at 10:05 a.m.

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Minutes approved by:

Richard Yates, Secretary
Visit Santa Barbara Board of Directors



Date 1/19/17