

SANTA BARBARA

THE AMERICAN RIVIERA®

South Coast Tourism Business Improvement District Committee Meeting

Thursday, September 29, 2016

8:30am - 10:00am

Visit Santa Barbara

500 E. Montecito Street

Santa Barbara, CA 93103

AGENDA

Guest Speaker: George Buell, Director - Community Development Department City of Santa Barbara - Update on City's enforcement of unpermitted short-term vacation rentals.

Action Items

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| 1. Call to Order | Tom Patton |
| 2. Antitrust Compliance | Tom Patton |
| 3. Public Comment | Members of the Public |
| 4. Approval of Agenda | Tom Patton |
| 5. Approval of June 2, 2016 Meeting Minutes | Tom Patton |
| 6. Approval of Q4 2015-2016 TBID Financials | Janet Ames |
| 7. Approval of David Levy, Hyatt Centric | Tom Patton |

Discussion Items

- | | |
|--------------------------------------|--------------------|
| 8. Overview of Marketing Campaign | Jennifer Walker |
| 9. Crisis Communication | Karna Hughes |
| 10. Focus on Infrastructure Upgrades | Kathy Janega-Dykes |
| 11. TOT Increase | Tom Patton |
| 12. Committee Vacancies | Tom Patton |
| 13. Adjourn | Tom Patton |

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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 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 the Bureau and by representatives of any members of the Bureau.

At any meeting of the membership of the Bureau or any committees of the Bureau, or at any meeting where any employee of the Bureau is present or where the Bureau 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.*

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Meeting Minutes FY 2016/2017 TBID Committee Thursday, September 29, 2016

Attending: Tom Patton, Dan Alvarado, Greg Broussard, Paul Bullock, Debbie Neer, Teresa Stiff, Beth Olson, Jaime Valdez
Absent: Kristin Battaglia, Barry Dorsey, Christian Gonzalez, Dean Pananides, Scott Perry, Shashi Poudyal, Bill Williams
Staff: Kathy Janega-Dykes, Lynda Dees, Janet Ames
Location: Visit Santa Barbara Office, 500 E. Montecito St., Santa Barbara, CA 93103

Guest Speaker: George Buell, Director – Community Development Department City of Santa Barbara

George spoke to the group about the City's enforcement of unpermitted short-term vacation rentals. He mentioned there are currently only three "legal" permitted rentals. He also mentioned that the process to become a legal rental included having to meet the same parking requirement as hotels. There are currently 1,000 rentals on the city's list, and his team has researched these electronically as well as sending subpoenas to rental websites to provide them with rental listings. As of January 1, 2017 the city will no longer be issuing business licenses although they will continue to collect TOT funds. City enforcement of these rentals includes sending a cease and desist letter, which has already been sent followed by fines for still operating and potentially taking any violators to court for operating an illegal business.

1. Call to Order

Tom Patton called the TBID Committee meeting to order at 9:10 a.m.

2. Antitrust Compliance

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

3. Public Comment

No public comment.

4. Approval of Agenda

No approval - did not have quorum.

5. Approval of Minutes of the June 2, 2016 TBID Committee meeting

No approval - did not have quorum.

6. Approval of Q3 2015-2016 Financial Reports

Janet Ames reported on the Q4 financials reporting that the year ended over budget. Operations expenses were under budget and programs, all categories, were on target and spent to their limits. She discussed the contingency fund and the use of these funds for unexpected expenses including new booking engine, expenses related to the oil spill mitigation and an advertising opportunity for lodging. Lastly she mentioned that the surplus budget would be reprogrammed into the current FY budget.

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No approval - did not have quorum.

7. Approval of David Levy, Hyatt Centric to TBID Committee

No approval - did not have quorum.

8. Overview of Marketing Campaign

Jennifer Walker presented to the group and spoke about the status of the new marketing campaign. She presented photo comps and 4 of the 7 hero shots for the campaign. She also introduced both the 30 second and 15 second versions of the video ads that will be used throughout the campaign. She also shared the first print ad which would be on the back of the Visit CA magazine which reaches 1.2 million readers and 4 million digital.

9. Crisis Communication

Karna Hughes presented the Crisis Communication plan to the group and spoke about its intent and purpose. The plan was created to define roles and responsibilities for all VSB staff members and Emergency Response Team following a crisis. The emergency and/or crisis could be a natural disaster or man-made. The plan details what steps VSB would take to alert both industry partners and visitors during and following an emergency.

10. Focus on Infrastructure Upgrades

Kathy spoke to the group about the importance of maintaining Santa Barbara's infrastructure to support visitors experience one they arrived. She spoke about three specific areas: The deteriorating landscape along the freeway entrance to the city, the newly appointed airport development consultant and the proposal of a downtown retail study.

11. TOT Increase

Tom spoke to the group about the County's proposal to increase the TOT to 12%. This will be on the upcoming November ballot and if approved, the reinvestment of some of those funds to tourism promotion.

12. Committee Vacancies

There are still two open seats on the committee and with a lack of attendance we may need to reassess other seats.

13. Adjourn

The meeting adjourned at 9:50 am.