

# SANTA BARBARA

## THE AMERICAN RIVIERA®

### Board of Directors Meeting

Thursday, July 16, 2020 8:30am - 9:30am

Zoom Meeting ID: 931 1247 4021

#### AGENDA

##### Action Items

1. Call to Order- *Roll Call* Warren Nocon
2. Antitrust Compliance Warren Nocon
3. Public Comment- Including items on the agenda and not on the agenda  
(3 minutes per member of the public) Members of the Public
4. Approval of Agenda Warren Nocon  
Recommended Action: Approve Agenda as presented. *-Roll Call*
5. Approval of Minutes of June 18, 2020 Meeting Warren Nocon  
Recommended Action: Approve Minutes as presented. *-Roll Call*
6. Approval of May 2020 Financial Reports Dan Glaeser  
Recommended Action: Approve May 2020 Financial Reports as presented. *-Roll Call*
7. Appointment of Ex-Officio Board Member Warren Nocon  
Recommended Action: Appoint Kristen Miller of Santa Barbara South Coast Chamber of Commerce as Ex Officio Board Member. *-Roll Call*

##### Discussion Items

8. Welcome New Board of Director Members Warren Nocon  
Recommended Action: Welcome new members of the Board of Directors: Steven Janicek of The Ritz-Carlton Barcara Santa Barbara, Greg Gorga of the Santa Barbara Maritime Museum, Dean Noble of Elings Park, Kyle Oliver of Sandpiper Golf Course, Steve Windhager of Santa Barbara Botanic Gardens, and Mitchell Sjerven of Bouchon Restaurants
9. Lodging Industry Performance Report James Minton  
Recommended Action: Discuss the lodging industry performance report.
10. Hospitality Heroes Karna Hughes  
Recommended Action: Share overview of the weekly contest acknowledging hospitality heroes.
11. Visitor Center Updates Kathy Janega-Dykes  
Recommended Action: Share updates on the reopening plan for the Visitor Center.
12. Conflict of Interest Policy Warren Nocon  
Recommended Action: Review the Conflict of Interest Policy prior to the Board members' annual signed agreement to the policy.
13. Visit Santa Barbara Board Goes Dark in August Kathy Janega-Dykes  
Recommended Action: Remind Board members that there will be no Board meetings in August.
14. Community Reports  
Recommended Action: This portion of the meeting is reserved for each entity listed below to provide a brief update.

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- Hospitality Santa Barbara
- City of Santa Barbara
- Santa Barbara South Coast Chamber of Commerce
- Santa Barbara Airport

Tom Patton  
Councilmember Gutierrez  
Kristen Miller  
Deanna Zachrisson  
Kathy Janega-Dykes

15. President's Report

Recommended Action: The President/ CEO will provide updates on Visit Santa Barbara's Operations and Marketing items that are not included on the agenda.

16. Good of the Orders

Warren Nocon

Recommended Action: This portion of the meeting is reserved for the Board of Directors to make recommendations for future board meeting agenda items.

17. Adjourn

**Next Board Meeting:** THURSDAY, 9/17/2020 8:30am – 9:30am **Location:** TBD

**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 Shantel Rowe 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.*

### **MISSION**

500 E. Montecito Street, Santa Barbara, CA 93103 805.966.9222 [www.santabarbaraca.com](http://www.santabarbaraca.com)

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The primary mission is to enhance the economies of the City of Santa Barbara, South Coast communities and Santa Barbara County areas through tourism marketing that increases business revenue, tax revenue and creates jobs.

### VISION

The Corporation is acknowledged by the entire community and its leaders as the indispensable organization for forging public / private partnerships and coalitions to promote our destination, increase visitor spending and sustain the outstanding quality of life in Santa Barbara County.

### VISIT SANTA BARBARA COMMITTEES

TBID Committee- Barry Dorsey, Chair

Audit Committee- Dan Glaeser, Chair

Marketing Committee- Dr. Robin Gose, Chair

Sales Advisory Committee- Chris Inman, Chair

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### Meeting Minutes FY 2020- 2021 Board of Directors Meeting Thursday, July 16, 2020

Attending: Andrew Firestone, Aaron Ide, Barry Dorsey, Chris Inman, Dan Glaeser, Dean Noble, Dr. Robin Gose, Greg Gorga, Katie Grassini, Kyle Oliver, Luke Swetland, Michael Cohen, Mitchell Sjerven, Sarah York Rubin, Steve Windhager, Terri Bowman, Tom Patton, Warren Nocon, Deanna Zachrisson

Absent: Steven Janicek, Kristen Weidemann, Councilman Oscar Gutierrez

Staff: Kathy Janega-Dykes, James Minton, JessyLynn Perkins, Noelle Buben, Beth Olson, Karna Hughes, Shantel Rowe, Janet Ames

Location: Zoom Meeting ID: 931 1247 4021

**1. Call to Order**

Warren Nocon called the meeting to order at 8:31am.

**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**

N/A

**4. Approval of Agenda**

Warren Nocon called for a motion to approve the agenda of the July 16, 2020 Board meeting; Sarah York Rubin moved to approve; Dan Glaeser seconded; and the motion was passed unanimously.

**5. Approval of Minutes of the June 18, 2020 Board Meeting**

Warren Nocon called for a motion to approve the minutes of the June 18, 2020 Board meeting; Luke Swetland moved to approve; Michael Cohen seconded; Steve Windhager and Greg Gorga abstained; the motion was passed unanimously.

**6. Approval of the May 2020 VSB Financial Reports**

Dan Glaeser reviewed the May 2020 Financial reports. He reported that revenue was down 50%. Employee costs were down \$75k year-to-date and advertising was down, as well. Mirroring revenue's decrease, total expenses were down 50%. Dan also noted that net income showed a profit of \$58k for the month.

Warren Nocon called for a motion to approve the May 2020 VSB financials; Barry Dorsey moved to approve; Aaron Ide seconded; and the motion was passed unanimously.

**7. Appointment of Ex-Officio Board Member**

Warren Nocon called for a motion to approve appointment of Kristen Miller of Santa Barbara South

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Coast Chamber of Commerce as Ex-Officio Board Member; Barry Dorsey moved to approve; Dan Glaeser seconded; and the motion was passed unanimously.

### 8. **Welcome New Board of Directors Members**

Warren Nocon welcomed new members of the Board of Directors: Steven Janicek of The Ritz-Carlton Barcara Santa Barbara, Greg Gorga of the Santa Barbara Maritime Museum, Dean Noble of Elings Park, Kyle Oliver of Sandpiper Golf Course, Steve Windhager of Santa Barbara Botanic Gardens, and Mitchell Sjerven of Bouchon Restaurants.

### 9. **Lodging Industry Performance Report**

Kathy Janega-Dykes explained that since new guidelines were set by Governor Newsom around the Fourth of July, people's sentiment and concern about rising cases has been negatively affecting the travel industry. Kathy stated that it is especially important at this time to be very transparent with the community about our efforts to promote our destination and specific messages we are conveying to our customers, which promote safe travel.

James Minton reviewed travel sentiment, and shared a chart displaying a week-over-week analysis of when travelers plan on taking leisure trips. This graph reinforced what Kathy had noted about a decrease in desire for leisure travel in the upcoming months. Next, James shared a chart focusing on the US Air Passenger Index, highlighting that although there was a slow increase since April, we are now seeing a flattening around the beginning of July. James then displayed the TBID Hotel Demand Index which also showed a slow increase since April; however, since the beginning of July there has been a significant drop due to travel sentiment. Lastly, James shared the TBID Hotel ADR index which has recovered dramatically faster than the previous reviewed indexes. With many luxury properties temporarily closed in April and May, the ADR dropped significantly; however, beginning in June, we started to see rate increases to get us back to seasonal norms. James mentioned that currently, the recovery is 93% of last year's ADR. James also noted that for one day we exceed the ADR from last year, pointing out that this was just one day, however, and not a trend.

James stated that the media team is focusing on getting as much money in the market as we can to help during this time. Currently we are advertising in 10 counties in California. We are focusing on cities with high income, as well as historic patterns of visitation, as travel sentiment reports show that travelers feel safer in communities they have traveled to in the past and therefore more likely to visit these destinations at this time. Performance on the ad buy has expanded our target market, now reaching people between the ages of 25-65, instead of capping at 55. There are about 4.6 million people in California receiving multiple of our digital ads by social media, pay per click and video advertisements. These ads balance inspirational messaging with safe travel messaging. Tom Patton shared that in his comp set, they are not seeing these high levels of ADR.

Kathy noted that California Travel Association is working closely with the Governor's office to push for group travel, but have paused efforts momentarily as COVID-19 cases rise.

### 10. **Hospitality Heroes**

Karna Hughes provided an update on the PR Department, as well as overview the of new Hospitality Heroes contest. She reviewed program changes due to budget, including paused

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contracts with the two PR agencies, Lou Hammond Group (April and May) and Black Diamond (until fall), as well as paused press trips from March through June. In addition, staff in the PR department was reduced by one. Karna shared that the PR departments is starting to host visiting journalists, with the first press trip this month and many planned ahead with top-tier media. Karna reviewed the various media outreach themes that have evolved throughout the last few months in order to adapt to the changing guidelines set in place by the Governor due to COVID-19. Some of these themes include virtual experiences, Santa Barbara opening for travel, family travel and more. Karna also shared preliminary Q4 results including media highlights.

Next, Karna talked about a new initiation called the Visit Santa Barbara Hospitality Heroes Awards. This five-week program is aimed to recognize, reward, and encourage local hospitality workers supporting COVID-19-related health and safety measures. The contest will showcase what the hospitality industry is doing right to promote safe practices. Winners are selected weekly, and receive a \$100 gift card, certificate and opportunity to win the Grand Prize of a Santa Barbara Staycation Package. The PR department will be sending out information about each of the winners to the media, as well as to government officials.

### 11. Visitor Center Updates

Kathy Janega-Dykes shared a background on the State Street Visitor Center which is operated by Visit Santa Barbara but contracted out to the Chamber staff to oversee operations. The Visitor Center will reopen Friday, pending receiving appropriate personal protective equipment. The Visitor Center will be open with limited hours, and have two staff members available at a time. One staff member will be in the expanded outside space under a canopy, while the other staff member will be inside, which now eliminates access to the seated area in the back of the room, as well as the bathrooms. Kathy expressed how important it is at this time for the Visitor Center to be open and allow us to communicate safety measures, provide visitors with information on guidelines, and sharing what businesses are open and their various restrictions or updated procedures.

### 12. Conflict of Interest Policy

Warren Nocon briefly reviewed the Conflict of Interest Policy that requires Board members disclose any financial interest that may impact how or why they vote. Warren requested that the Conflict of Interest Policy forms be reviewed, and completed by all Board members by the following Wednesday.

### 13. Community Reports

- **Hospitality Santa Barbara**

Tom Patton shared that Hospitality Santa Barbara has continued to be very involved in conversations and efforts aimed at reopening our community and businesses. With the merger of the Chambers into Santa Barbara South Coast Chamber of Commerce, there is a potential that Hospitality may be a sub-committee, although this is still being discussed. Tom then discussed California Hotel & Lodging Association involvement to make sure that hotels stay open for leisure travel. CHLA is also currently trying to combat a cleaning ordinance in San Francisco before it goes in affect. This ordinance goes against CDC guidelines and could create many negative effects for hotels and has the potential to expand to other communities. Tom also expressed his gratitude to Visit Santa Barbara for distribution of PPE provided by CHLA and

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to Hotel Californian for storing this equipment in their ballroom. Tom also encouraged and reminded hotels to get certified through CHLA Clean and Safe certification.

Greg Gorga questioned how large the conference and larger group booking is in our hotel industry, as well as how much new guidelines prohibiting large gatherings will affect us going into the upcoming year. Kathy explained that it varies among hotels. Even for some smaller hotels, group business can make up to 30%, while for large resorts, it can contribute to 50% or higher. James Minton added that we typically see demand for group business rise after Labor Day.

Mitchell Sjerven stated that he has been receiving several inquiries on what dining businesses are open, and questioned if the new Visitor Center would have a role in keeping people updated on business openings. Kathy shared that it is the priority for the Visitor Center staff members to be current with what businesses are open and any other changing details. Jessylynn Perkin explained that there is also a toolkit available for businesses to update their microsite on the Visit Santa Barbara website. New features are available for businesses to include details on the health and safety practices and procedures being implemented that they would like share with potential customers. Jessylynn also noted that there are a few content pieces being created focused on restaurants with new patio dining experiences, and the State Street Promenade experience.

- **City of Santa Barbara**

N/A

- **Santa Barbara South Coast Chamber of Commerce**

Kristen Miller stated that the Santa Barbara South Coast Chamber of Commerce is focusing on sharing the Safe & Smart Santa Barbara message, throughout the Visitor Center as well as the business community. Kristen shared that the new Board is focused on the economic impact of COVID-19 and are crafting a guided principles document to follow. The Chamber created an Economic Development Committee that will initially focus on Downtown Santa Barbara State Street business retention and recruitment. They hope to next create a Visitor's Services and Tourism Committee. For Goleta, Kristen stated that there is no indication from the City to fund a Visitor Services contract this year but the Chamber is still working on trying to obtain that.

- **Santa Barbara Airport**

Deanna Zachrisson updated that the Santa Barbara Airport continues to maintain a steady increase in number of passengers, with around 400-500 passengers a day, 25% of what was the normal rate. Delta has suspended service, with the intention of returning when there is higher demand. Deanna mentioned they are evaluating when Contour services may return, which is currently estimated to be early next year.

#### 14. **President's Report**

Kathy Janega-Dykes reminded the Board members that the Board goes dark in August and the next meeting will be held on Thursday, September 17<sup>th</sup>. Kathy also discussed the Marketing Committee which is a sub-committee of the Board of Directors. Dr. Robin Gose is the current Marketing Chair and we are still looking for others to be part of the committee. Kathy requested to be notified if any Board members are interested in being part of the committee, which will likely be made up of 12-15 members, with representation from all segments of the hospitality industry. The first meeting will be held on Thursday, August 20<sup>th</sup> and will repeat on a quarterly basis.



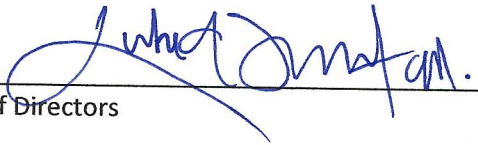
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15. **Other business**  
N/A

16. **Adjourn**  
With no other business, the meeting was adjourned at 9:42am.

Minutes approved by:

Luke J. Swetland, Secretary   
Visit Santa Barbara Board of Directors

Date 9/17/2020