

SANTA BARBARA

THE AMERICAN RIVIERA®

Board of Directors Meeting

Thursday, November 19, 2020 8:30am - 9:30am

Zoom Meeting ID: 964 4250 6912

Zoom Passcode: VSB2020

AGENDA

Guest Speaker: Erin Francis-Cummings, President & CEO, Destination Analysts

With the change in seasons, and frustrating trajectory of COVID-19 transmission, Erin will interpret the current perceptions of American travelers. Discussion will include recent insights that apply to smaller coastal communities, such as Santa Barbara.

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 October 15, 2020 Meeting Warren Nocon
Recommended Action: Approve Minutes as presented. -*Roll Call*
6. Approval of September 2020 Financial Reports Dan Glaeser
Recommended Action: Approve September 2020 Financial Reports as presented. -*Roll Cal*
7. Economic Revitalization Proposal Warren Nocon
Recommended Action: Hear and review presentation by Amy Cooper and Keith Higbee of Strategy Growth & Ventures and consider approval of \$25,000 funding. The initiative is set to revitalize and repopulate Santa Barbara's downtown business district with the goal of enhancing the overall economic health of the region. -*Roll Call*

Discussion Items

8. CEO Expenditure Allowance Warren Nocon
Recommended Action: Discuss CEO's authority for spending limits outside of the budget.
9. Wedding and Contained Group Discussion with County Officials Update Warren Nocon
Recommended Action: Provide update on meeting with County Officials regarding weddings in Santa Barbara.
10. Community Reports
Recommended Action: This portion of the meeting is reserved for each entity listed below to provide a brief update.
 - Marketing Committee Dr. Robin Gose
 - Santa Barbara South Coast Chamber Hospitality Committee Tom Patton
 - Santa Barbara South Coast Chamber of Commerce Kristen Miller
 - City of Santa Barbara Councilmember Gutierrez
 - Santa Barbara Airport Deanna Zachrisson

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11. President's Report Kathy Janega-Dykes
Recommended Action: The President/ CEO will provide updates on Visit Santa Barbara's Operations and Marketing items that are not included on the agenda.
12. 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.
13. Adjourn

Next Board Meeting: THURSDAY, 12/17/2020 8:30am - 9:30am **Location:** Virtual - Zoom

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

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

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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, November 19, 2020

Attending: Aaron Ide, Barry Dorsey, Chris Inman, Dan Glaeser, Dean Noble, Dr. Robin Gose, Greg Gorga, Katie Grassini, Kristen Weidemann, Kyle Oliver, Luke Swetland, Michael Cohen, Mitchell Sjerven, Steven Janicek, Steve Windhager, Terri Bowman, Tom Patton, Warren Nocon, Deanna Zachrisson, Councilman Oscar Gutierrez

Absent: Andrew Firestone, Kristen Miller, Sarah York Rubin

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

Location: Zoom Meeting ID: 964 4250 6912

Guest Speakers: Erin Francis-Cummings, President & CEO, Destination Analysts

Erin Francis-Cummings shared updates on current travelers' feelings, thoughts, concerns and behaviors during the pandemic. Erin reviewed the research and methodology for Destination Analysts' Travel Sentiment studies, which is based on an online survey of over 1,200 Americans that traveled prior to the pandemic. The study is now in its 36th week and began on March 15, 2020.

Erin shared recent data collected between November 13th through November 15th, during which time prevalent topics included the election, COVID-19 cases rising, concerns of restrictions over Thanksgiving Day holiday, and COVID-19 vaccine updates. Erin shared that American travelers are largely feeling that the pandemic situation isn't going to improve in the next month and are increasingly concerned about contracting the virus. Due to this, Americans' excitement to travel has decreased, even causing a majority of Americans to feel guilty about traveling at this time. The decline in travel marketability spans across traveler segments. Nearly half of American travelers have either cancelled or postponed a leisure trip and one-third have cancelled a trip for Thanksgiving Day. Looking at holiday travel, reports shared that the percent of Americans who will be taking a holiday season-related trip is down about 25%. Of those who will travel during the holidays, 29.3% say they will travel by air.

Positive indicators for travel include a decrease in concerns about personal finances, and increase in discounts and prices cuts as a motivation for travel in the next three months. Travel has continued to occur during the pandemic, with 23.1% of Americans stating they have traveled by air and 58.1% say they have taken a road trip since the start of COVID-19. Future travel continues to be planned as well. Vaccine developments have also made Americans more hopeful about travel in 2021. A majority of travelers also indicated that when planning a trip, they sometimes actively search for minority-owned local businesses in their travel destination or businesses they believe will make a positive societal impact.

Dan Glaeser questioned if any data was collected regarding travelers' willingness to use Airbnb or other similar services over traditional hotels. Erin stated they have asked where travelers intend to stay during their upcoming trips and although vacation rentals and Airbnb have increased during the pandemic, overall, traditional hotel stays are the most common.

1. Call to Order

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

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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 November 19, 2020 Board meeting; Barry Dorsey moved to approve; Dan Glaeser seconded; and the motion was passed unanimously.

5. **Approval of Minutes of the October 15, 2020 Board Meeting**

Warren Nocon called for a motion to approve the minutes of the October 15, 2020 Board meeting; Luke Swetland moved to approve; Michael Cohen seconded; the motion was passed unanimously.

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

Dan Glaeser reviewed the September 2020 Financial reports. Revenue was up and operating expenses were in line with the budget, which allowed \$103k more than anticipated to be allocated to advertising. Dan reported that our covenants are in compliance with the loans.

Aaron Ide questioned how September 2020 compares to September 2019. Janet responded that September 2019 was 9% over September 2020, and July-September 2019 was 17% over year-to-date compared to July-September 2020.

Warren Nocon called for a motion to approve the September 2020 VSB financials; Terri Bowman moved to approve; Chris Inman seconded; and the motion was passed unanimously.

7. **Approval of Economic Revitalization Proposal**

Warren Nocon reminded the Board that in October, the Executive Committee approved \$25,000 for funding of the Economic Revitalization Proposal; however, the Board decided to table this approval item until the November Board Meeting in order to be provided with sufficient information to make a conclusive decision. Amy Cooper of Strategy Growth & Ventures reviewed highlights of the proposal including the key components of the short-term and long-term revitalization, an outline of business recruitment, a review of accomplishments to date, and next steps. Keith Higbee added that Santa Barbara Downtown is currently at a 17% vacancy rate, and some commercial brokers warn that at a worse-case scenario, it could potentially go as high as 30% vacancy. Keith stressed the importance of starting this project now in order to help prevent increased vacancy rates.

Mitchell Sjerven questioned the thoughts of commercial brokers in regards to this proposal. Amy stated that they are very supportive and are benefited by being provided reliable leads for tenants with no negative financial impact to them.

Michael Cohen asked if Amy and Keith could share any current successes in business recruitment thus far. Amy explained that they haven't begun the recruitment process yet and are still working

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on obtaining funding for the database before recruitment. Terri Bowman asked if there was any strategy in place for how businesses will be recruited. Keith stated they will be using a prospect database, networking and research to identify prospects, and then either reach out to the prospect directly, through LinkedIn or with passive marketing.

Warren Nocon called for a motion to provide funding of \$25,000 for the Economic Revitalization Proposal; Dr. Robin Gose moved to approve; Barry Dorsey seconded; and the motion was passed unanimously.

8. CEO Expenditure Allowance

Warren Nocon reviewed that during the last Board Meeting it was questioned whether the CEO had the authority to make financial decisions without the need of Board approval for certain items. Warren shared it was decided during the November Executive Committee meeting that the CEO would have a discretionary spending limit on behalf of the organization for \$50,000, outside of entering any multiple-year contracts.

9. Weddings and Contained Group Discussion with County Officials Update

Warren Nocon shared that he and a few members of the Board recently met with Dr. Do-Reynoso and Nancy Anderson from the City to discuss weddings and contained groups in Santa Barbara. He noted that the recent update of Santa Barbara County moving back to purple tier may prolong this from occurring; however, the goal of the meeting was to receive guidance on how best to get weddings and contained groups approved when the time is right. Using the CHLA statewide guidelines for meetings as a template, they will be creating guidelines more specific to the Santa Barbara South Coast. This will include details such as example layouts for individual hotels.

Kathy Janega-Dykes explained that once COVID-19 case numbers have improved, the draft will be presented to the Public Health Department and County Health Officials. Kathy noted that Nancy Anderson suggested that there be separate guidelines for weddings and small meetings since there is concern that it will take longer for approval of weddings due to certain social aspects that increase COVID-19 concerns. Aaron Ide asked the definition of a “small meeting” and Kathy stated it depends on the size of the meeting space and the number of individuals permitted that allow a minimum of 6-feet between each attendee.

Steve Janicek stated he predicts there will be a significant increase in demand for weddings in 2021 and 2022 and questioned what resources Visit Santa Barbara currently puts towards marketing weddings. Kathy explained that in the past, Visit Santa Barbara didn't need to allocated resources to the wedding market since the community essentially took care of that market on its own, but with that possibility of a surge of wedding demands, we can begin working on efforts to market weddings in Santa Barbara. Beth Olson added that preliminary conversations have already began regarding how to best feature the weddings information page more prominently on the Visit Santa Barbara website.

Barry Dorsey stressed the importance of being proactive with obtaining wedding business since his property is also noticing in influx of inquiries regarding weddings in the upcoming year. Steven added that there may be some partners that would like to support these marketing efforts financially (such as florists, restaurants, etc.) since they could also benefit from increased wedding

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business. Kathy stated that she agreed and that she and the Sales team will work on ways to incorporate wedding promotion programming into the Quarterly Business Plan and may follow up with members of the Board for additional ideas and input.

10. Community Reports

- **Marketing Committee**

Dr. Robin Gose shared that staff provided thorough updates during the November Marketing Committee Meeting. Many members of the Marketing Committee agreed on the importance of maintaining marketing efforts for the destination knowing that travel will flourish again in the future and current marketing efforts will promote future travel. Dr. Gose emphasized Santa Barbara's great outdoor climate, as well as the transformation of the State Street Promenade to allow for safe activities during COVID-19. In addition, Santa Barbara businesses have been practicing extremely comprehensive COVID-19 protocols to promote the safety for employees, residents and travelers. Dr. Gose also shared that Visit Santa Barbara will have a photo and video shoot which will include some images featuring social distancing and mask wearing.

- **Santa Barbara South Coast Chamber Hospitality Committee**

Tom Patton reported that the merger with the South Coast Chamber has been going well and noted his appreciation for their support. Their two main focuses at this time are homeless encampments along the waterfront, as well as assisting in the success of Santa Barbara South Coast businesses. Tom acknowledged how businesses are going above and beyond with clean and safe measures in order to promote the health and safety of visitors. These topics will be discussed during their Public Policy Committee Meeting.

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

N/A

- **City of Santa Barbara**

Councilmember Oscar Gutierrez provided an update that automated license plate readers will be placed in City parking lots. Personnel that worked in the park lots will be transferred to other tasks within City parking lots. He also shared that SBACT is working on removing the homeless encampments along the waterfront. Councilmember Mike Jordan added that starting the following day, SBACT and City Net will be on the beach daily for the next 90-days offering resources to the homeless encampment occupants, asking those to move within 72-hours if they refuse the services, and moving items off the beach. Councilmember Jordan said assistance will likely be needed eventually to address housing options for those currently occupying the encampments. Chris Inman shared his appreciation for City Council working on this issue and noted that the homeless encampments also bring concern of the increased rates of crime along the waterfront as well. Dean Noble asked about who to contact regarding license plate readers and Councilmember Gutierrez responded Rob Dayton.

- **Santa Barbara Airport**

Deanna Zachrisson shared that the Santa Barbara Airport is operating around 30% of the normal level, although they continue to slowly trend slightly upwards. Alaska Airlines is adding a second flight to Seattle beginning next week, while the planned direct flights to San Diego are now being postponed to March 18, 2021 due to a lack of demand. Deanna shared that she, 500 E. Montecito Street, Santa Barbara, CA 93103 805.966.9222 www.santabarbaraca.com

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Kathy, and Henry Thompson, the SBA Director, also participated in an air service conference in Denver and met with representatives from various airlines. The carriers Santa Barbara Airport currently has in service reported that they are happy with SBA's performance.

11. President's Report

Kathy Janega-Dykes shared that insights discussed during the Marketing Committee Meeting will be incorporated in the Quarterly Business Plan and Budget which will be presented at the December Board Meeting. In order to help resolve the issues surrounding the homeless encampments, Kathy reported that SBACT is coordinating a weekly meeting with waterfront properties, as well as any other business that would like to join. The first meeting will be on December 2, 2020 and the goal is for businesses to present timely information on what issues they are seeing so it can be acted on as soon as possible, as well as for businesses to receive updates on current outreach efforts. Kathy reminded the Committee that businesses should reach out to the Chamber with any incident reports regarding the homeless. Lastly, Kathy noted that Laura Dubbels, Housing & Human Services Manager for the City of Santa Barbara, will be the guest speaker for the TBID Committee Meeting on December 1, 2020.

12. Other business

N/A

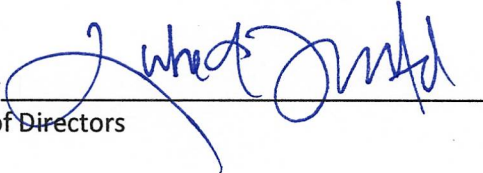
13. Adjourn

With no other business, the meeting was adjourned at 10:02am.

Minutes approved by:

Luke J. Swetland, Secretary

Visit Santa Barbara Board of Directors



Date 12/17/2020