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Board of Directors Meeting
Thursday, January 21, 2021 from 8:30am - 9:30am
Zoom Meeting ID: 958 9887 1516
Zoom Passcode: VSB2021

MISSION

We inspire overnight travel to the Santa Barbara South Coast in order to enhance the community's economy and quality of life.

DESTINATION VISION

Santa Barbara is a distinctly beautiful place, where travelers come for a personal experience that relaxes, delights and inspires.

AGENDA

Guest Speaker: Gregg Hart, Second District County Supervisor, County of Santa Barbara
Supervisor Hart will give an update on the County's response to COVID-19.

Action Items

1. Call to Order- *Roll Call* Warren Nocon
2. Antitrust Compliance Warren Nocon
3. Public Comment- Includes 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 December 10, 2020 Meeting Warren Nocon
Recommended Action: Approve Minutes as presented. -*Roll Call*
6. Approval of November 2020 Financial Reports Dan Glaeser
Recommended Action: Approve October 2020 Financial Reports as presented. -*Roll Call*
7. Appointment of Chris Cline to Assume Colleen Huther's Board Term Warren Nocon
Recommended Action: Approve Chris Cline of the Kimpton Canary Hotel to assume the remainder of Colleen Huther's Board Term (2021-2022) - *Roll Call*
8. Approval of Board Resolution to apply for and secure funding for COVID-19 Warren Nocon
related loans and grant Kathy Janega-Dykes the ability to negotiate and execute loan documents encumbering Visit Santa Barbara for an amount up to \$2 million and an interest rate not to exceed 6%.
Recommended Action: Approve application of COVID-19 related loans per the stipulations noted above including Payroll Protection Plan. - *Roll Call*

Discussion Items

9. Lodging Industry Performance Report James Minton
Recommended Action: Discuss the lodging industry performance report.
10. Brown Act Training Warren Nocon
Recommended Action: Discuss the upcoming Brown Act Training which will review new laws in place that will affect the Board of Directors.
11. Santa Barbara South Coast Chamber Advocacy Strategy Update Kristen Miller
Recommended Action: Receive an update regarding the Santa Barbara South Coast Chamber's efforts to

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highlight the impacts that business closures are having on employees and encourage the public to contact elected officials to request that the Governor reopen businesses.

12. Community Reports

Recommended Action: This portion of the meeting is reserved for each entity listed below to provide a brief update.

- Santa Barbara South Coast Chamber Hospitality Committee Tom Patton
- City of Santa Barbara Councilmember Jordan
- Santa Barbara Airport Deanna Zachrisson

13. 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. Kathy Janega-Dykes

14. Good of the Order

Recommended Action: This portion of the meeting is reserved for the Executive Committee to make recommendations for future Executive Committee agenda items. Warren Nocon

15. Adjourn

Next Board Meeting: THURSDAY, 02/18/2021 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 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 VSB or any committees of VSB, or at any meeting where any employee of VSB is present or where VSB is in any way involved, there shall be no discussion of the following:

- 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;*
- 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;*
- Formulas, procedures, or means for the establishment and determination of prices, rates, discounts, terms, and conditions or rental;*

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- 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.*

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, January 21, 2021

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

Absent: Andrew Firestone

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

Location: Zoom Meeting ID: 958 9887 1516

Guest Speakers: Gregg Hart, Second District County Supervisor, County of Santa Barbara

Supervisor Gregg Hart provided an update on the County's response to COVID-19. He summarized a brief history of COVID-19 in Santa Barbara County, dating back to the first case in March 15, 2020. Supervisor Hart then provided an overview of the current state of COVID-19 in the county. He reported that there have been over 25,000 total cases. About 55% of our county's total cases have occurred since Thanksgiving, and almost 30% of our county's total cases have occurred since January 1, 2021. He noted that the increase of cases is linked to gatherings during the recent holidays. Currently there are 206 people hospitalized throughout Santa Barbara County, and there is only 8% ICU capacity remaining. There have been about 17,000 doses of the vaccine administered. Supervisor Hart shared that the fundamental issue with vaccines in the county is that there are not enough available. Governor Newsom recently announced that individuals 65-74 years old are eligible for vaccines; however, Supervisor Hart explained that this is not reasonable at this time since there not even enough vaccines for the 75+ years old age group. Supervisor Hart predicts that the Biden-Harris Administration will provide a more simplified process for vaccination distribution. Santa Barbara County is ready to administer more vaccines as soon as the supply increases, but in the meantime, Supervisor Hart encourages everyone to practice the known strategies of reducing the spread of COVID-19. He stated that he recognizes that this is the most economically challenging time that our local Santa Barbara businesses have ever faced and understands the importance of helping these businesses during this time. Supervisor Hart discussed assistance that is offered at the local-level, the State-level through the State budget proposal and federal-level through President Biden's new stimulus plan. Supervisor Hart shared that the County website www.recoverysbc.org which has State, local and Federal resources for local businesses. He shared the sense of optimism he felt listening to President Biden talk about national unity alluding to the fact that individuals and businesses can survive through tough times with the help of others. Supervisor Hart shared the personal struggles he and his family have faced due to COVID-19 and the importance of acknowledging the personal and economical challenges individuals and businesses are suffering through. Supervisor Hart expressed he deeply values the long standing positive working relationship with the Visit Santa Barbara team and Board of Directors.

Warren Nocon asked Supervisor Hart where we can find information about the forecasting of ICU capacity which would help us understand when the Southern California region would reach above 15% capacity and can end the stay-at-home order, as well as his personal opinion on when this might occur. Supervisor Hart stated that the County Public Health website and the State's COVID-19 website are the best resources for COVID-19 information. He said that he doesn't see our region getting above the 15% ICU in the next few

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months. He mentioned we are still determined to separate San Luis Obispo, Santa Barbara and Ventura Counties into their own region. He noted that Sacramento County's ICU capacity recently reached above 15% and were able to be removed from the stay-at-home order.

Warren asked if there was any plan for the County to provide any financial support once hospitality businesses reopen. Supervisor Hart reported that compared to the first wave of funding, Santa Barbara County should be receiving increased funding during the second wave and be in a position to better support local businesses financially.

Aaron Ide asked the ideal number of doses in Santa Barbara and Supervisor Hart responded 70% of the population being vaccinated would be significant enough to dramatically stop the spread of the virus. He reminded the Board that the vaccinations require 2-shots and to consider this when hearing about how many doses are being distributed to Santa Barbara County.

Councilmember Mike Jordan asked Supervisor Hart to comment on the opposing information that is being received that the State has a lot of vaccines but aren't administering them all yet, but on a local level, we don't have enough vaccines available to administer as many as we could right now. Supervisor Hart responded that the roll-out of doses on the State level has not gone well due to the limited supply required a strict rationing process unintentionally slowed the vaccination process. He expects the State will change their process soon to be more efficient, although he maintains that the vaccines supply is still limited.

Michael Cohen asked Supervisor Hart's opinion on the distribution plan in the county. Supervisor Hart stated there could be a possibility of government using resources such as the National Guard to accelerate the vaccination process. He commented on the mass confusion from the public about the process to get vaccinated and noted the current process is over-complicated. Supervisor Hart repeated that the process should be simplified soon with the new administration. He added that as soon as more vaccines become available, the process will expand as well and there will be more locations and easier access for individuals to get the vaccine.

Tom Patton requested that Supervisor Hart pass along his request to that State that they provide regions with an indication of how close they are to reaching ICU capacity. Tom explained this would help businesses be able to plan ahead on being open, including securing reservations as well as appropriate staffing. Supervisor Hart agreed with the need for transparency on numbers and said he would pass this request on to Dr. Do-Reynoso who will request it to the State and share the information at their weekly press conference once it becomes available.

Next, Tom referenced several articles that have been circulating recently comparing California and Florida's approach to the pandemic. He noted that Florida has been more open (businesses, schools, etc.) than California, and yet, their COVID-19 numbers are similar and, in some cases, California's case numbers are even worse. Tom asked Supervisor Hart's opinion on the two approaches. Supervisor Hart stated that he didn't want to speculate as this is a subject outside of his scope of expertise and instead encouraged the group to focus on what we can control and do what we can locally to help people and businesses get through these difficult times, highlighting the hope that new region with Santa Barbara, San Luis Obispo and Ventura County will be formed soon.

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Lastly, Warren shared with Supervisor Hart and the Board the exciting news that Southwest Airlines announced service in Santa Barbara beginning on April 12th to Oakland, Denver and Las Vegas (3 flights), as well as 50 connecting flights. Warren congratulated Deanna Zachrisson, airport staff, as well as Kathy, Visit Santa Barbara and the Board of Directors for their collective efforts. Supervisor Hart also congratulated Deanna and noted how gratifying it is to see this finally come to fruition. He predicted that by the end of the year, Santa Barbara county will experience a tremendous economic resurgence.

1. Call to Order

Warren Nocon called the meeting to order at 9:09 am.

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 January 21, 2021 Board meeting; Dan Glaeser moved to approve; Barry Dorsey seconded; and the motion was passed unanimously.

5. Approval of Minutes of the December 10, 2020 Board Meeting

Warren Nocon called for a motion to approve the minutes of the December 10, 2020 Board meeting; Luke Swetland moved to approve; Barry Dorsey seconded; the motion was passed unanimously.

6. Approval of the November 2020 VSB Financial Reports

Dan Glaeser reviewed the November 2020 Financial reports. He stated that revenue was down slightly compared to budget, partially due to the stay-at-home order. Operating costs were slightly below budget, while advertising was slightly above budget. Dan highlighted the Air Service Development cost, which he noted was a highly beneficial expense and congratulated Deanna Zachrisson, Visit Santa Barbara and the Board on the new Southwest air service announcement. Overall, there was a loss of about \$58,000 for the month. Dan noted that liquidity remained adequate as we were able to pay down our loan and reduce interest expenses. Despite the stay-at-home order, our projected cash flow remains adequate for the foreseeable future. Dan also noted that we qualify for PPP loans and grants, and shared that we are also continue to be in compliance with loan covenants.

Warren Nocon called for a motion to approve the November 2020 VSB financials; Aaron Ide moved to approve; Dr. Robin Gose seconded; and the motion was passed unanimously.

7. Appointment of Chris Cline of the Kimpton Canary Hotel to Assume Colleen Huther's Board Term

Warren Nocon called for a motion to approve Chris Cline of the Kimpton Canary Hotel to assume remainder of Colleen Huther's Board Term (2021-2022); Barry Dorsey moved to approve; Terri Bowman seconded; and the motion was passed unanimously.

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8. Approval of Board Resolution to Apply for and Secure Funding For COVID-19 Related Loans and Grant Kathy Janega-Dykes the Ability to Negotiate and Execute Loan Documents Encumbering Visit Santa Barbara For an Amount Up To \$2 Million And an Interest Rate Not to Exceed 6%.

Barry Dorsey questioned if businesses did not receive the loan during first series of PPP loans, could they apply during the second draw. Kathy confirmed that was accurate and we would be proceeding with applying for these loans.

Warren Nocon called for a motion to approve the application of COVID-19 related loans per the stipulations noted above including the Payroll Protection Plan; Barry Dorsey moved to approve; Kristen Weidemann seconded; Dan Glaeser abstained; and the motion was passed unanimously.

9. Lodging Industry Performance Report

James Minton briefly reviewed lodging industry performance. He noted that due to the stay-at-home order, December occupancy was down 50%. Supply also decreased about 20% as some hotels chose to temporarily close during the shutdown. Average occupancy was about 30% and James shared we have also seen a decrease in rates. James noted that once travel is permitted again, the dry, warm winter could help bring an increase of business to the area.

James also reviewed recovery efforts, noting that we have a plan in place as soon as travel is permitted again. Using what was successful during the reopening last Spring, we will utilize digital marketing only and market towards our drive-markets initially. Our marketing efforts will be focused on individuals that are willing to travel immediately, which we have narrowed down by zip code.

10. Brown Act Training

Warren Nocon shared that Brown Act Training will be hosted on February 2, 2021. A new law was passed effective January 1, 2021 which prohibits Board members from directly responding or reacting to any social media activity regarding organizational business by a member of the same organization. Warren suggested Board members be aware of this law and conduct further research on it if necessary, prior to the training. Steven Janicek asked if this new law was the main focus of the training and Warren confirmed. Kathy shared the importance of this training in order to ensure our Board members are up to date with the new laws and continue to behave in compliance with the Brown Act.

11. Santa Barbara South Coast Chamber Advocacy Strategy Update

Kristen Miller shared a presentation reviewing the Santa Barbara South Coast Chamber of Commerce advocacy strategy. She shared that in December, a group of leaders from the Chamber and Visit Santa Barbara met in order to discuss what actions to take during the shutdown in order to be part of a local solution. The meeting addressed crises-level economic impacts of the pandemic and the new stay-at-home order from the State. Kristen focused on the fact that there is not enough of a connection between the State's procedure to slow the spread of COVID-19 through a shutdown and data supporting that this procedure is successful. She highlighted the disproportional negative effect on small local businesses due to the shutdown. Ultimately, a four-step plan was developed. Kristen highlighted the four steps of this plan including Ad Campaign, Resolution/Proclamation, Jobs and Education Impact Report, and Litigation. She shared examples of print ad

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campaigns as well as a 30-second video commercial. Kristen explained that the message behind the ads is that the shutdown order is not considering the individuals it affects. The ads focus on general hospitality employees that have been following all the guidelines to keep their businesses procedures safe but are facing significant financial challenges due to the shutdown. The goal is to influence public options and ask elected officials to change the way they make certain public policies. Lastly, Kristen shared the timeline for the Chamber's Roadmap to Recovery which will be presented during the Chamber's Annual Membership meeting. Kristen called attention to the date of May 31, 2021 for permitting small group travel and asked the Board's opinion on that date. Warren Nocon shared he agreed that the date was realistic. Kathy Janega-Dykes acknowledged Kristen for taking the lead on launching these efforts. She reiterated the importance of having a plan in place so that businesses are able to prepare for reopening, as well as for small meeting preparation to begin. Kathy shared that Cal Travel is asking when businesses can begin to start booking for small meetings. Mitchell Sjerven asked if the timeline will be sent to the public or if it was intended to be presented to State government. Kristen stated it will be shared to the public and can also be sent to the governor, County supervisors and anyone who will be open to hearing it. Kristen highlighted the second date in the timeline, referencing the 5-Step Method: mask, handwashing, social distancing, ventilation and plexiglass. She expressed that if businesses are following these steps, there shouldn't be an added long list of confusing guidelines they should follow as well. Many members of the Board shared their support.

12. Community Reports

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

Tom Patton stated that a lot of the Hospitality Committee's efforts mirror what the Chamber is working on as well. He noted the importance of advocating for local businesses and encouraged business to let him know if there is anything the Hospitality Committee could do to help. Tom thanked Kristen for her efforts with the advocacy strategy and developing a timeline for recovery. He acknowledged the Chamber for giving the people behind the business a voice.

He reported that the Business Advisory Task Force is meeting monthly again starting in January and scheduled through June, discussing issues including restaurant parklets. Tom also reported that the City and Visit Santa Barbara have continued to work on the homelessness issue.

Tom explained that a firm called Center for Disability Access is currently pursuing lawsuits with hotels, ensuring that they have full and very specific descriptions of accessibility features for their hotel on their website. They have already sued four hotels in Santa Barbara. CHLA has arrangements with an attorney who will help defend these hotels named in the lawsuit and encouraged hoteliers to reach out to him or CHLA if their business has been served.

Lastly, Tom thanked Dan Glaeser for all his hard work assisting with PPP and EIDL loans for his business and acknowledged all our community banks for helping local businesses.

- **City of Santa Barbara**

Councilmember Mike Jordan shared a number of upcoming items with the City of Santa Barbara. The City is getting ready to start budget discussions for the next fiscal year, and noted that this year's budget has been relatively accurate with actuals. Councilmember Jordan stated he shared Supervisor Hart's optimism that once more restrictions are lifted, Santa Barbara will
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experience a tremendous economic resurgence. He also shared his excitement for the launch of Southwest Airlines in Santa Barbara. Councilmember Jordan addressed the homeless issue and reminded the Board of the City's Encampment and Homeless Problem reporting form reviewed daily by City staff. In regards to the ADA lawsuit Tom Patton previously mentioned, Councilmember Jordan encouraged hoteliers to reach out to their insurance agents regarding employment practice liability coverage for third-party liability coverage. Lastly, Councilmember Jordan shared three important dates. On February 2nd, the City Council will receive an update from De La Guerra subcommittee. On February 9th the Coast Village Community Benefit District, property-based improvement district, will be presenting to the City Council, and on February 23rd at the City Council meeting, an extension suggestion for the closure of State Street will be discussed.

Terri Bowman asked about jurisdiction for homeless encampments. Councilmember Jordan responded that responsibility is spread between the City, County and Caltrans depending on the area of the encampment. He encouraged everyone to phrase their reporting to include the exact concern so it's elevated to the response it deserves, and used 'an open' flame as an example.

- **Santa Barbara Airport**

Deanna Zachrisson reported that the Santa Barbara Airport sent out their news release in the morning announcing the Southwest Airline service. She reported that they are already starting to get media inquiries and look forward to receiving good publicity. A team of ten Southwest Airlines employees were in Santa Barbara the prior day discussing logistics of the new flights. Deanna thanked the Board for their support and gave special recognition to the Chamber and Kathy and Visit Santa Barbara team for their contribution.

13. **President's Report**

Kathy Janega-Dykes restated the Southwest Airlines announcement of service in Santa Barbara beginning on April 12th to Oakland, Denver and Las Vegas (3 flights), as well as 50 connecting flights. She shared her excited that these flights will present opportunities to increase leisure travel, as well as group business. Kathy reminded the Board that Visit Santa Barbara has committed about \$250,000 in total, breaking down to \$100,000 for start-up costs and \$50,000 for marketing per each new market in Oakland, Denver and Las Vegas. She shared that an industry email was sent out in the morning which includes sample messaging for businesses to share with their own audiences. An announcement of the Southwest service was also sent to meeting planners, travel trade and Visit Santa Barbara consumer database, as well posted on the VSB website and social channels. Kathy encouraged hoteliers to look into the Southwest Airlines Hotel Program if they were interested in being promoted through that channel.

Kathy also discussed homelessness and shared that SBACT is taking a proactive effort to help the industry deal with this issue. She encouraged businesses to reach out to SBACT if their properties are having any challenges with homelessness.

14. **Other business**

N/A

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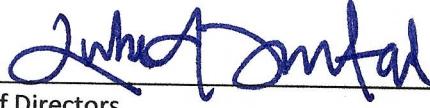
15. Adjourn

With no other business, the meeting was adjourned at 10:04 am.

Minutes approved by:

Luke J. Swetland, Secretary

Visit Santa Barbara Board of Directors



Date

2/18/2021