



**San Luis Obispo County
Tourism Business Improvement District Advisory Board
(CBID)**

Board Meeting Minutes

May 25, 2016

12:00 p.m.

Apple Farm ~ Harvest Room
2015 Monterey Street
San Luis Obispo, CA 93401

DRAFT UNTIL APPROVED

SLO CBID Members Present:

Board: Shirley Lyon, Laila Kollmann, Lori Keller, Matt Masia, Bram Winter, Mike Hanchett

County Liaison: Nikki Schmidt; CAO: Cheryl Cuming

Absent: John King (unexcused)

Guests: John Sorgenfrei, Rick Turton, Kaci Knighton & Mark Elterman (core marketing)

Call to Order by Chair Shirley Lyon at 12:04 p.m.

Public Comment Laila Kollmann said that she attended the Board of Supervisors meeting with Chair Shirley Lyon and that Nikki Schmidt did an outstanding presentation; there were only six protests.

Administrative Items

- Consent Agenda

A motion was made by Laila Kollmann, seconded by Lori Keller to approve the minutes with noted revisions. With no further discussion, these minutes were approved by a unanimous voice vote of the Advisory Board. Bram Winter abstained.

- Financials

CAO Cuming reviewed the reconciliation report, and noted that the final 2016 2017 budget will be approved at the June meeting.

- Administrator's Report and Partner Update

CAO Cuming reviewed the report and partner report from VSLOC. Shirley Lyon asked about the lodging statistics. Lori Keller asked about the research questions for H1DR, and CAO Cuming confirmed a recap will be provided at the June MSC meeting.

Lori Keller presented information on the VSLOC Tourism Exchange. During the research presentation Chuck Davison provided a recap and introduced their new agency, BCF. Caroline Beteta of VisitCA did a presentation on economic indicators; CAO Cuming confirmed at the CBID won the 2016 Environmental Tourism Award for our Stewardship Traveler Program.

Lori Keller also gave a Cal Travel recap, including TID legal efforts and requests for funding. Hermosa Beach has banned AirBnB, while Santa Monica is allowing but subject to additional taxes. It was noted that there are several different initiatives going before legislative bodies. Shirley Lyon noted that Arizona deemed it illegal to eliminate vacation rentals. John Sorgenfrei asked if there was any timeline. Lori indicated that it will be a very long process and some information will be available by the end of the year. It would require a State constitutional amendment to ban rentals entirely.

- Upcoming Events

Upcoming CBID Board Meeting is on June 15th (moved to the 3rd Wednesday). Matt Masia and Mike Hanchett will be absent for 6/15 meeting; Lori Keller and John Sorgenfrei must leave at 2:30p.

Business/Presentations

- **None**

Discussion Items

- **Strategy/Topic Discussion**

DMO Measurement Research: Shirley Lyon introduced the overall goal of applying more measurement to our efforts, which was discussed at the strategic planning session in January.

CAO Cuming reviewed the proposal which included a three-month timeframe for \$7,500 investment; with a database of 50,000 there are more than 1,000 responses anticipated. Mike Hanchett noted that the current plan allows for utilization of 3 months of research, and noted that we should explore our Facebook demographics. John Sorgenfrei confirmed that the CMT supports additional research.

Kaci Knighton provided an overview of current social media demographics. Lori Keller asked if there was an RFP requirement and Nikki Schmidt noted that the purchasing amount level is \$25,000. CAO Cuming asked overall for board's support of \$20,000 set aside for research in 2016/2017 budget and the board agreed. John noted that the CMT can provide SEO/SEM data as this specific research option is considered in the future.

- **Core Marketing Team & Stewardship Program**

The 2016/2017 planning and draft marketing budget were reviewed. John Sorgenfrei addressed the overall need to fine tune the current target market. He noted that the role is destination marketing and awareness, not conversion. Lori Keller noted that the organization is responsible for getting people interested in coming to the destinations, and we must better understand if our marketing efforts our "influencing" this decision. John reviewed the MSC highlights. He also reviewed the scope of work, including organizational goals and marketing priorities. He reiterated the importance of refining and defining the target market. The presentation reviewed the four pillars and CMT recommended focus for each area.

Matt Masia spoke to the collaboration with the County and anticipating conflicting messages to the extent that agencies are creating consumer confusion. John said the brand evolution to H1DR now defines it as an attraction and they will continue to work with VSLOC to evolve messaging.

Mark Elterman summarized the trends and marketing priorities. He defined the "secret sauce" as a combo of earned media, including PR, which is currently generating \$20 million in publicity value. If time permits, Mark can review database specifics on demographics from both web and social media.

Kaci Knighton reported that Facebook following grew 66.6% from 2014 to 2016. Impressions increased 126.5% and engagement increased 138% from 2014/2015 to 2015/2016. YouTube had a 41.9% increase with video views, surpassing 400,000 total views in 2016. John noted that video strategy will be evolving.

Rick Turton summarized website SEO opportunities, detailed in a handout. The overall goal is to improve where we ranking on the Google search page. CAO Cuming asked about the monthly SEO investment and Mark confirmed it at \$1,000 per month. He noted that in 2016/2016 the CMT is recommending a larger investment. Bram Winter noted that "roadtrip" would be worth investing in. Lori Keller asked about the budget allocation for SEO in 2016/2017. Mark reviewed the budget by category. CAO Cuming noted that the largest increase is within ad placement expenses at 43%

- **Governance, Marketing/Collaboration & Events Sub-Committee Reports**

Shirley Lyon discussed the process moving forward and its potential to help strategically guide our organization. John Sorgenfrei inquired about work with Corragio Group. Bram Winter agreed that strategic input is too broad from "outside"

group. Shirley stated that she felt the organization is at a crossroads and needs to continue momentum to evolve. Matt Masia asked about the completed process with Collaboration and if that would be undone. Shirley confirmed that the "visioning" process completed with Collaboration would become a roadmap for how the CBID evolves. Matt asked if future board members would be better suited to create future strategy. CAO Cuming explained the process and timing. Shirley noted that it would be important not to replicate what VSLOC is doing. Mike Hanchett suggested looking at DMO strategic planning group to get specific information. John asked if Corragio Group will be identifying how to move forward in partnership with VSLOC. The CBID board asked CAO Cuming to do additional research on DMO strategic firms.

CAO Cuming touched on the local fund recap showing spending within specific categories like events, outreach, administration and infrastructure. Lori Keller asked about measuring results against each. Mike noted a need to revisit the local fund application, with a need for demonstration of reasonable spend to return figures. Bram Winter would like to see outreach and administration broken out on the local fund recap. CAO Cuming noted that the governance committee will meet to develop criteria for a revised local fund application. She noted there were 333 total local projects with 97 projects in 2015.

CAO Cuming reviewed the marketing sub-committee recap.

Action Items

CalTravel TID Protection Plan funding

Nikki Schmidt asked that the item be placed on the June agenda. She is unsure if this is covered by ordinance and noted that Prop. 26 with BIDs under 1989 law may not apply. Lori Keller said that they have enough funding and want written support; VSLOC did fund. The board tabled the discussion since VSLOC is supporting on behalf of the entire county.

Infrastructure & Beautification Grant Program

Nikki Schmidt indicated that the program is "trending" and showing high levels of interest. Matt Masia asked if the County sees it as positive and Nikki confirmed that the program is being supported. CAO Cuming noted that Nipomo, Los Osos, Cambria and San Simeon have shown interest in submitting projects. Shirley Lyon requested two board members volunteer; Nikki asked that the CBID advisory group include CAO Cuming on the grant review committee. Bram Winter and Matt Masia volunteered. Nikki reviewed the timeline to meet at the end of June or early July.

A motion was made by Lori Keller, and seconded by Laila Kollmann, to confirm that Bram Winter, Matt Masia and Cheryl Cuming all serve on the grant review committee. With no further discussion, the motion was approved by a unanimous voice vote of the Advisory Board.

VisitCA/Brand USA Outdoors co-op

Lori Keller indicated that Brand USA is doing content gathering of where people can enjoy the outdoors. VisitCA is participating and providing matching funds. She said

there is an opportunity to show why the CBID's stretch of Highway 1 provides an outdoor experience and she thinks it should not be passed up.

John Sorgenfrei reviewed how the content partnership would work between H1DR and Pismo Beach. Mike Hanchett asked about timing and Mark Elterman noted that it is in September/October with an international audience. Bram Winter asked what would be featured. Mark stated that it would be focused on outdoors with \$25,000 investment and match from Visit CA. The co-op would come out of the 2016/2017 co-op budget and the CMT time will be placed in 2015/2016. Matt Masia expressed concern about the challenge of focusing on one thing or addressing offerings overall. John indicated the content would incorporate all of H1DR and its activities.

A motion was made by Lori Keller, and seconded by Matt Masia, to approve an amount of \$24,000 for the Brand USA/VisitCA outdoor activity co-op. The funding was approved by a unanimous voice vote of the Advisory Board.

Local Fund and Matching Fund Applications

Cambria CowParade Additional 1 Cow:

CAO Cuming reviewed the details of the application. Mike Hanchett asked what was learned at the Cambria meeting and Bram Winter responded. Laila Kollmann noted that an event budget has been requested but not provided. Matt Masia said that Cambria needs to make an attempt to find a funding partner.

A motion was made by Matt Masia, and seconded by Mike Hanchett, to approve an amount of \$3,000 with the caveat that a partner fund the balance. Laila Kollmann and Lori Keller opposed; the motion carried.

Cambria Managing Assistant Contract Renewal:

A motion was made by Lori Keller, and seconded by Laila Kollmann, to renew the Cambria Managing Assistant's contract for a two-year term at an amount of \$42,000 per year. The funding was approved by a unanimous voice vote of the Advisory Board.

Bram Winter noted that Jill Jackson is doing a great job in the position.

Avila Beach Stewardship Clean-Up Totes:

A motion was made by Laila Kollmann, and seconded by Matt Masia, to approve an amount of \$5,500. Lori noted that she wants to more directly connect value to the cost of projects. The funding was approved by a unanimous voice vote of the Advisory Board. Lori Keller abstained.

Stewardship Coordinator Contract:

CAO Cuming reviewed the scope and transition plan. A motion was made by Matt Masia, and seconded by Lori Keller, to approve an amount of \$25,000 total for the services of Di Strachan and Katie Sturtevant for 2016/2017. The funding was approved by a unanimous voice vote of the Advisory Board.

Admin Services Contract:

A motion was made by Mike Hanchett, and seconded by Matt Masia, to approve an amount of \$15,000. Lori Keller asked about recent raises and CAO Cuming confirmed that there hasn't been a recent one. Nikki Schmidt asked about making two year contracts. The motion was amended to propose a two-year contract. The funding was approved by a unanimous voice vote of the Advisory Board.

Financial Services Contract:

A motion was made by Laila Kollmann, and seconded by Mike Hanchett, to approve an amount of \$7,200 each year for two years. The funding was approved by a unanimous voice vote of the Advisory Board.

CMT Report Card:

Shirley Lyon reviewed the process. CAO Cuming noted that five of seven board members submitted reports. Mike Hanchett noted that he did not submit and Bram Winter indicated that he felt he was too new to the board to submit. Nikki noted that a three rating is considered satisfactory on the report card. CAO Cuming reviewed that for any area receiving a score lower than 3, the CMT will be asked to address these areas of improvement at the June meeting.

Shirley Lyon feels the CMT is doing well overall. She thinks H1DR is a strong brand and they've done well supporting Stewardship. She said as additional information is pursued with SMG Consulting the board may want to consider a one-year contract. Mike Hanchett said he feels unaware of results and wants to make sure the CMT has the CBID's overall interests in mind. Lori Keller asked how many would support an RFP. Shirley indicated she is concerned about how to "grade" partners and recommends figuring out the organization's direction over the next year. Lori wants to explore options and feels that "we don't know what we don't know." Nikki Schmidt noted that the County would consider an RFP after four years.

Matt Masia commented that the discussion indicates that the board members have questions they need to ask themselves. Lori noted that the marketing documents provided at this meeting are more on track than those in the past. Bram Winter said that seeking to improve is always a good idea. Lori reviewed the four pillars of the organization. Shirley noted that the CMT contract is up in June 2016.

A motion was made by Laila Kollmann, and seconded by Lori Keller, to extend the CMT contract for one-year and begin the RFP process within the next 90 days. Mike Hanchett asked how the timeline would work with campaign needs. Laila noted that it would put firm selection in March 2017. The process was approved by a unanimous voice vote of the Advisory Board.

CAO Evaluation:

Mike Hanchett and Matt Masia both shared their thoughts on how to provide CAO Cuming with more authority to make marketing decisions without the requirement to consult the Advisory Board. A title change was discussed. Shirley Lyon will provide evaluation input to CAO Cuming, and ask her to address areas of improvement at the June board meeting.

A motion was made by Laila Kollmann, and seconded by Lori Keller, to recommend COLA. The COLS was approved by a unanimous voice vote of the Advisory Board.

Closing Comments

None

Future Agenda Items

Approve marketing plan and budget

Revisit funding application

SLO Wine Country partnership

Adjournment

The meeting was adjourned at 4:13 p.m.