

Visit
S A C R ★ M E N T O

Board of Directors Meeting

Thursday, January 19, 2017

12:00 p.m.

Minutes

The original agenda was prepared and posted in compliance with the provisions of the Ralph M. Brown Act noting that board action may occur on any identified agenda item.

I. Call to Order

A meeting of the Board of Directors of Visit Sacramento was held at the Hyatt Regency in Sacramento, CA. Board Chair Brian Larson called the meeting to order at 12:17 p.m. The following attendance was recorded:

PRESENT

Directors

Joe Chiodo

Butch Corum

Lina Fat

Kathleen Gilbey

John Janosko

Brent Larkin

Brian Larson, *Chair*

Shelly Moranville, *Secretary*

Sami Qureshi

Dennis Raymond

John Rinehart

Mabel Salon

Alison Sandman

Scott VandenBerg

Industry Advisors, or Their Designees

Mark Davis, *Sacramento County Airports*

Robert Dugan, *Sacramento Metro Chamber*

SCVB Staff

Steve Hammond, *President & CEO*

Mike Testa, *Chief Operating Officer*

Sonya Bradley, *Chief Marketing Officer*

Sarah Atilano, *Director-Convention Sales*

Mike Sophia, *Director Sacramento Sports Commission*

Dan Santucci, *Director of Accounting*

Sherlynn Clifford, *Executive Assist. (Recording Secty)*

ABSENT

Directors and Industry Advisors

Michael Ault, *Downtown Sacramento Partnership*

Kipp Blewett

County of Sacramento

Jeroen Gerrese, *Treasurer*

Patrick Mulvaney

Rick Pickering

Peter Tateishi, *Sacramento Metro Chamber*

Liz Tavernese

Jody Ulich, *City of Sacramento*

Matt Voreyer, *Sacramento Convention Center*

Doug Warren, *1st Vice Chair*

Steve Young

II. Public Comments – Matters Not on the Agenda

Board chair Brian Larson called for public comment on items not listed on the agenda; there were no matters presented.

III. Approval of Board Meeting Minutes: November 17 2016

There being no changes to the November 17, 2016 minutes, ***Alison Sandman motioned to approve the minutes as presented; Kathleen Gilbey seconded. [Vote: Unanimous]***

IV. Chair's Report

A. New Board Member Appointments

Larson welcomed Kathleen Gilbey, Sheraton Grand, to her first official board meeting after being appointed to the STMD Tourism Committee in November 2016. Larson also mentioned Howard Chan would join the board as an Industry Advisor in his new position as Interim City Manager.

Larson then said the Nominating Committee selected Phil Garcia of California State University Sacramento to replace recently resigned Robert Dugan. Mabel Salon said Garcia has been a good colleague and she ***motioned to approve Phil Garcia to the board; Robert Dugan seconded. [Vote: Unanimous]***

B. Approve Executive Committee 2017

Larson said the Nominating Committee is still in the process of selecting the second vice chair position so he asked the board to email him, Steve Hammond or Sherlynn Clifford with nominations. The current slate of officers for 2017 are:

Board Chair:	Brian Larson
1st Vice Chair:	Doug Warren
2nd Vice Chair:	TBD
Secretary:	Shelly Moranville
Treasurer:	Jeroen Gerrese
Immediate Past Chair:	Brian Larson

There being no discussion, ***Lina Fat motioned to approve the Executive Committee as it stands; Sami Qureshi seconded. [Vote: Unanimous]***

C. Annual Code of Conduct and Directors Agreement 2017

The annual Code of Conduct and Directors Agreement forms were distributed for board signatures. Steve Hammond said the Code of Conduct is a requirement for all board members; while the Directors Agreement is for voting members only. Sherlynn Clifford will follow up to assure all signatures are received.

D. Board Schedule and Committees 2017

The 2017 board meeting schedule was distributed with the meeting agenda. Hammond reminded everyone that the annual board retreat had been confirmed for October 19-20, 2017 at the Hyatt Lake Tahoe and asked board members to place the date on their calendars. Clifford also distributed the board committee schedule which Larson asked board members to review for their assignments and/or join a committee.

E. CEO Search

The board met in closed session to discuss the search for a new president and CEO; no action was taken.

V. **President's Report**

A. Convention Center Expansion Update

Hammond said he, Mike Testa, Brian Larson, Tony Giannoni and consultant Jose Hermocillo had a productive meeting with new Mayor Steinberg and the meeting went longer than scheduled which translates to the Mayor being very interested in our input for the convention center expansion. One of the results of the meeting is that staff was asked to present more research and statistics for the city's review. Larson added there is a lot of information that's been disseminated that is incorrect and that several organizations are interested in utilizing the TOT for their projects but they are not informed about what the TOT is, nor who is eligible for the funding per ordinance. Larson also mentioned the city's bond payment schedule and that the city is putting \$2M back into the G1C to backfill a bond requirement. It was noted that hotel room inventory grew from 800 to 2200 after the last expansion and would hopefully grow to 4000 after the next expansion. Testa said he believed the Mayor viewed Visit Sacramento as an adversary but now thinks we are on the same page for expansion. Hammond said more discussions are scheduled and he hopes the decision will come soon.

B. RFP: Organizational & Operational Assessment

Hammond said an RFP to review the structure of the organization has been sent to assess Visit Sacramento and how it operates regarding our event planning and staff requirements. Hammond said once selected, the review will include the review of employee deployment to see if staff responsibilities can be executed more effectively. Thus far, four companies have responded.

C. Goal Setting Committee

After distributing the committee's recommended goals for 2017, Hammond said board members Scott VandenBerg and Doug Warren were the only attendees for the recent meeting. VandenBerg said the meeting was very productive and the department directors' presentations were very well thought out, stretching the goals for 2017.

Hammond said staff set crossover convention sales room night goals for three years out so the report reflects the achieved goals for years 2016-2018. For years 2017, 2018 and 2019, the TAP report will be used to verify room night pace production for FY2017-18.

Regarding Farm to Fork's Farm Tank, 2017's goals are on hold due to Nicole Rogers' recent resignation. Testa said Rogers accepted a position as Director of Marketing for Nugget Markets so he will be reassessing her position and the new goals since Farm to Fork has grown and changed since her hire three years ago.

Regarding Sport Commission room nights, Hammond said the department performed well in 2016, however, non-core room nights underperformed – the result of projecting a figure tied to NCAA bids but those bids were pushed back to April 2017. Hammond said despite that, the department did well so the 2017 goal was increased.

Hammond said the goals were sent after the meeting to the entire committee for their feedback, after which the committee will reconvene prior to the February board meeting so final approval can be made.

The recommended goals for 2017 are:

GOAL	2016			2017
	Goals	Actuals	% Achieved	Goals
Conv Sales Total Room Nights	175,000	184,615	105%	175,000
Conv Sales Room Nights for 2016	48,580	47,600	98%	n/a
Conv Sales Room Nights for 2017	54,320	86,477	159%	100%+ of TAP Report
Conv Sales Room Nights for 2018	19,635	15,843	81%	100%+ of TAP Report
Conv Sales Room Nights for 2019	n/a	n/a	n/a	100%+ of TAP Report
Group Travel/FIT Sales Econ Impact	\$5,200,000	\$5,232,303	101%	\$5,400,000
Group Travel/FIT Room Nights	12,350	13,369	108%	13,600
Consumer Travel Room Nights	16,000	25,464	159%	29,000
Private Revenue	\$2,005,000	\$2,385,728	119%	\$2,505,000
F2F Produce Farm Tank 2016 <i>(Attendees)</i>	600	400	67%	On Hold
F2F Special Event Production	4	4	100%	4
F2F Print Media Placements	200	287	144%	n/a
Media Placements	n/a	n/a	n/a	400
Sports Commission Core Room Nights	41,000	49,305	120%	41,500
Sports Commission Non-Core Rm Ngts	50,000	37,930	76%	75,000

D. Staff Report: Sports Commission

Mike Sophia said he anticipates 2017 to be the biggest year for the department for both booked events, and opportunities he is pursuing. A brief summary of a few events is:

- NCAA March Madness-March 17-19: Tickets are selling well with 2,000 tickets remaining in the upper section.
- NASC-March 27-31: An important event which occurs eight days after NCAA. There will be 1,000 attendees from sports commissions across the nation with about 200-300 key decision-makers. A giant fam trip is also scheduled.
- NCAA Bids Due-April 18: This is new date to submit bids for various sports.
- AMGEN Tour of California-May 14: Returning for the start of the race.
- USATF Outdoor Championships-June 22-25: This is a qualifying event for the World Championships in 2018 so Sacramento will get the chance to see all the top athletes.
- Future Opportunities:
 - Olympic Trial bids
 - Kings NBA All-Star Bid: John Rinehart said the Kings received their instruction packet last week and need to figure out how we meet the hotel room requirements, in addition to convention center space. Rinehart said the Kings bid will also include ancillary benefits on why the NBA should select Sacramento. Hammond said Visit Sacramento can assist with the development of the bid and creating pre- and post-trips to regional locations.

VI. Committee Reports

A. Finance

Dan Santucci reported on the December 2016 financials as follows:

- * STMD-City: Payments are current and slightly ahead of budget.
- * STMD-County: Payments are one month behind but running 10% ahead of last year.
- * Overall year-to-date net income is ahead of budget due to timing differences and budget reductions made in last 6 months.

Hammond said that budget reductions are going well as instructed by the Finance Committee, and staff will be taking a hard look at the next six months as we prepare for the 2017-18 budget. Hammond also said the last payment to the city for the sports marketing agreement was made so that expense will go away next year; and he is looking to get TOT funds restored that were reduced during the recession. Both of these will result in helping fund the operations of large events.

VII. Department Reports

The December 2016 department reports were e-mailed to the board for their review prior to the meeting.

VIII. Calendar of Events

Larson mentioned the calendar of events as listed on the agenda.

IX. New Business

Joe Chiodo distributed advertising opportunities for Sacramento Magazine's "Sacramento Guest and Resource Guide." Chiodo said it has been his goal for several years to develop this guide which will include hotels from four counties: Sacramento, Yolo, Placer and El Dorado. There will be 22,000 hard bound books available starting in May 2017, and will have future annual editions. The advertising opportunities close in mid-February. Chiodo added Visit Sacramento is helping sponsor the book, including the welcome page. The cover could have a Farm to Fork theme as suggested by Sonya Bradley. Vandenberg thanked Chiodo for creating the book.

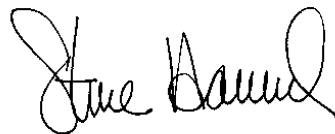
X. Adjournment

The meeting adjourned at 1:23 p.m.

Respectfully submitted,



Sherlynn Clifford
Executive Assistant
(Recording Secretary)



Steve Hammond
President & CEO