

Visit
S A C R ★ M E N T O

Board of Directors Meeting

Thursday, July 20, 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.

PRESENTATION: Destination Sacramento Program – Richard Rich, Railyards Project Manager

Rich said he was instructed by Mayor Steinberg to focus his work on railyard improvements and in connection to that he developed a Destination Sacramento Program for Old Sacramento. Below is a summary of his presentation, also presented to City Council last month.

Starting point: Using the results of the 2011 Sacramento Visitor Profile, it was determined that sightseeing was the highest ranked activity for visitors, however, the riverfront (Old Sacramento) was not carrying its weight.

Action needed: Take Sacramento's existing assets and leverage them for the most return.

How?

- Create one district via a partnership of the three entities that have property ownership: the City, State and Federal.
- Evolve: Make the necessary changes that will transform Old Sacramento to a historic district. No changes have been made since the 1960s. Ideally, the changes would lead to Old Sacramento becoming an historic *entertainment* district like the French Quarter in New Orleans, Beale Street in Memphis, or Distillery District in Toronto. Most important, the area needs to be clean, safe and fun.
- Improve the entrances on K Street. Right now, access from K Street is via a tunnel under I-5 which could be an attraction by itself. Other entrances are via I Street or Capital Mall.
- Improve the façade and lighting program. If lighting improvements are made to individual buildings, others will follow.
- Create family fun. A lot of foot traffic surrounds the number one attraction, the Railroad Museum. If other areas can be improved, it will help spread the foot traffic.
- Tourism/Marketing App: Use apps to experience the venues, as well as for advertising.
- Ferris Wheel: Consider adding in a location nearby.
- Expanded Barges: For more entertainment options.

Next Steps and Timeline: Engage the appropriate stakeholders; refine the project menu and budgets; and report back to council in September/October.

Michael Ault said the Downtown Sacramento Partnership (DSP) was working with Rich to help him engage a variety of stakeholders. Ault said DSP was also working with the city on rebranding Old Sacramento using the feedback from locals to understand any barriers or limitations to identity. Ault said that once the Kimpton Sawyer Hotel opens and the Downtown Commons is completed, the tunnel will also become available for use again, providing access to the new district.

Testa said he met with Rich regarding Old Sacramento marketing and the forthcoming changes will give Visit Sacramento the ability to promote Old Sacramento much better. Rich closed his presentation by asking for board input on what they see for the future of Old Sacramento.

I. Call to Order

A meeting of the Board of Directors of Visit Sacramento was held at the Hilton Sacramento Arden West in Sacramento, CA. Board Chair Brian Larson called the meeting to order at 12:14 p.m. The following attendance was recorded:

PRESENT

Directors

| | |
|-------------------------------------|------------------------------------|
| Joe Chiodo | Sami Qureshi |
| Butch Corum | Dennis Raymond |
| Phil Garcia | Mabel Salon |
| Brent Larkin | Scott VandenBerg |
| Brian Larson, <i>Chair</i> | Doug Warren, <i>1st Vice Chair</i> |
| Shelly Moranville, <i>Secretary</i> | |

Industry Advisors, or Their Designees

| | |
|--|---|
| Michael Ault, <i>Downtown Sacramento Partnership</i> | Jody Ulich, <i>City of Sacramento</i> |
| Kim Nava, <i>County of Sacramento</i> | Matt Voreyer, <i>Sacramento Convention Center</i> |

Guests

Richard Rich, *City of Sacramento*
Jose Hermocillo, *Hermocillo-Azevedo Strategic Communications*

SCVB Staff

| | |
|--|---|
| Mike Testa, <i>President & CEO</i> | Mike Sophia, <i>Director of Sacramento Sports Commission</i> |
| Sonya Bradley, <i>Chief Marketing Officer</i> | Dan Santucci, <i>Director of Accounting</i> |
| Sarah Atilano, <i>V.P. Sales & Business Develop.</i> | Sherlynn Clifford, <i>Executive Assistant (Recording Secty)</i> |

ABSENT

Directors and Industry Advisors

| | |
|---|---|
| Kipp Blewett | Rick Pickering |
| Howard Chan, <i>City of Sacramento</i> | John Rinehart John Rinehart |
| Mark Davis, <i>Sacramento County Airports</i> | Alison Sandman |
| Lina Fat | Peter Tateishi, <i>Sacramento Metro Chamber</i> |
| Kathleen Gilbey | Liz Tavernese |
| Nav Gill, <i>County of Sacramento</i> | Steve Young |
| Patrick Mulvaney | |

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: June 15, 2017

There being no changes to the June 15, 2017 minutes, ***Mabel Salon motioned to approve the minutes as presented; Brent Larkin seconded. [Vote: Unanimous]***

IV. Chair's Report

Brian Larson welcomed Mike Testa to his first meeting as Visit Sacramento's new President and CEO and congratulated him in his new position on behalf of the board.

A. Approve New Executive Committee Members

Larson said board member Jeroen Gerrese had resigned from Visit Sacramento's board and executive committee since he is no longer associated with the Lions Gate Hotel. The nominating committee will meet to discuss replacing his and the other open position and put forth any recommendations at the September board meeting.

V. President's Report

Mike Testa thanked Sami Qureshi for hosting today's meeting. Testa also thanked the board for their confidence in selecting him as the new President and CEO which became effective July 1, 2017. Testa said that at his first staff meeting on July 18 he walked the staff through his vision for Sacramento as it was presented during the CEO selection process and told the staff he sees that vision being fulfilled as a team effort. Testa said he created a 90-day plan which he will send to those board members interested along with his vision plan. And he plans on meeting with each of the staff, as well as the directors to review the rest of the year, set priorities, and identify direction.

Testa said John Reyes, was hired as the new Chief Operating Officer and will start in his position on August 14. Testa said Reyes has a lot of experience in our industry and is a very valuable addition to the team who will be able to help mentor the staff, in addition to helping him in his new role.

A. FY2017-18 Budget Approval

Testa said that he has great respect for prior CEO Steve Hammond but before he asks for board approval of the FY2017-18 budget, he wanted to review the programs and staffing to see if further cuts could be made, therefore increasing the monthly cash flow as directed by the executive committee. He said he also wants to explore a destination study to make sure the organization has current data to make decisions. The FY2017-18 budget will then be approved at the next meeting.

B. Homeless Task Force

Testa said Visit Sacramento and the DSP have created a Homeless Task Force to create security guidelines for hotels during conventions and events when large numbers of people are visiting the downtown. The task force, led by Testa from Visit Sacramento and Dion Dwyer of DSP, includes representation from the hospitality industry and among other goals, will work together to help meeting planners feel safer about bringing their groups to Sacramento.

Sami Qureshi thanked Testa for getting Visit Sacramento involved in the issue and asked to have the Point West area represented as well.

C. Wide Open Walls

Testa said Wide Open Walls was an event created by David Sobon based on last year's Mural Festival. Testa said Visit Sacramento is the presenting sponsor and that the project will be marketed nationally by Lou Hammond and Associates from New York.

Testa said his interest in aligning with the event is to help show Visit Sacramento as more than an organization that books conventions, but is also an organization interested in the arts with a more holistic view of Sacramento. Shelly Moranville thanked Testa for his decision to have the organization get involved, especially as it's an important event that impacts Sacramento.

D. Greater Sacramento

Testa said he met with Barry Broome, President and CEO of Greater Sacramento, and said they had a good conversation which he believes will help align our two organizations to better leverage our marketing reach. Testa said a Visitation Vision Committee is in the process of being created that will include Visit Sacramento, Greater Sacramento, DSP, the Metro Chamber, and Midtown Association.

E. Mayor/Council Meetings

Testa said he has started scheduling one-on-one meetings with the Mayor and councilmembers to ensure elected officials understand our organization, how we drive economic impact and what we contribute to Sacramento. He may also enlist the help of board members to attend those meetings.

F. Convention Center Steering Committee

Testa said he and Sarah Atilano are on the steering committee and are also working with convention meeting planners on the construction schedule. Atilano said the first client user meeting was held last week where there was a lot of discussion about meeting space. This resulted in creating a second group of planners whose feedback was given to the architect. Atilano said the team is reaching out to national planners and just finished a landing page to provide weekly updates to several industry groups. An email will also be sent next week which will include a fact sheet.

Doug Warren asked if the update would be posted to Visit Sacramento's website. Atilano said yes and that information will be included in the email. Warren also asked about the construction schedule and Brian Larson said it's a work in progress. Larson said he met with Testa and Atilano about a convention calendar, but it was determined there is no good time that won't impact one group or another. Larson said that when the western half of the building is torn down it will cause a lot of disruption, so a lot of details are still up in the air. Larson said he would like to see the construction start in early 2018 but it's also important to complete getting the feedback from the meeting planners. The city is also looking at costs for building Phase 2 which is projected for another five years. Jody Ulich said one reason the city selected Populous as the architect is because of their experience in building convention centers, all while trying to keep minimum disruption in the business. Larson said there should be more definitive answers by September, though the EIR won't be completed until February 2018.

G. Media Sheet/Board Reports

Testa said Visit Sacramento has developed a new plan for communicating with the media that will include our organizations' impact to the Transient Occupancy Tax (TOT), tourism and much more. This new communication tool will be used to keep Visit Sacramento in the media's queue daily.

Along those same lines, Testa said the monthly board report format is undergoing some changes. A draft report will be shared with the executive committee for feedback, then debuted at the September 21, 2017 board meeting.

H. Destination Study

Testa said he and Sonya Bradley met with five groups that perform destination studies so we can get use their feedback to do a “deep dive” on Sacramento and help us craft a vision for the future.

I. Tower Bridge Dinner Update

Testa shared the names of the six chefs selected for this year’s Tower Bridge Dinner. Testa said each chef is paired with a local farmer and each appetizer chef is also paired with a local farmer. The six chefs are:

- Chris Barnum-Dann, Localis
- Ernesto Delgado, Mayahuel, La Cosecha and Mesa Mercado
- Casey Shideler, Taylor’s Kitchen
- Michael Tuohy, Legends Hospitality/Golden1 Center
- Santana Diaz, Legends Hospitality/Golden1 Center
- Kurt Spataro, Paragary Restaurant Group

Testa also shared that KCRA will be doing Farm to Fork Fridays. Testa said all the topics are really compelling and having KCRA has a partner is a huge asset to Visit Sacramento. Testa said he also met with Valley Vision who will be taking over three Farm to Fork committees, initially developed by Nicole Rogers. This will help Visit Sacramento focus on what we do best – marketing and branding.

Testa then introduced Jose Hermocillo of Hermocillo-Azevedo Strategic Communications, who was hired to help Visit Sacramento during the convention center expansion process. Larson said Hermocillo has helped us tremendously with political guidance and his involvement also helps guide the staff in their decision-making.

J. Staff Reports

USATF Outdoor Championships: Mike Sophia said this event was a great success despite the 110-degree weather. Six hours were broadcast on NBC which also showcased Sacramento very favorably, including the Farm to Fork message on the I-5 water tower. Sophia said his next steps are to determine the future direction of the Sports Commission.

VI. Committee Reports

A. Finance

Dan Santucci reported on the preliminary June 2017 financials as follows:

- * STMD-City: Payments are 3% ahead of budget; 8% ahead of last year.
- * STMD-County: Payments are 23% ahead of budget; 11% ahead of last year.
- * YTD net income is very high due to receiving over \$700,000 in events revenue (Amgen and USATF) the last week of June.
- * Other year-end revenue and expense accruals will also affect the final net income amount.

VII. Department Reports

The June 2017 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

None to report at this time.

X. Adjournment

The meeting adjourned at 1:12 p.m.

Respectfully submitted,



Sherlynn Clifford
Executive Assistant
(Recording Secretary)



Mike Testa
President & CEO