

**Santa Clara Tourism Improvement District
Advisory Board Special Meeting – AGENDA**

Hyatt Regency
5101 Great America Parkway
Santa Clara, CA 95054

February 14, 2020, 9:00 a.m.

Call to Order

Eron Hodges, Chair, called the meeting to order at 9:05 a.m.

Roll Call

Present: 8 Callette Nielsen, General Manager, Marriott Santa Clara (call-in)
Joe Eustice, General Manager, Hilton Santa Clara
Peter Hart, General Manager, Embassy Suites
Eron Hodges, General Manager, Hyatt Regency Santa Clara
Justin Hart, General Manager, AC Hotel Santa Clara (call-in)
Jean-Phillippe Rollet, General Manager, The Plaza Suites
Mark Salquist, General Manager, Avatar Hotel
Jon Siebring, General Manager, Biltmore Hotel

Absent: 3 Alan Mass, General Manager, Hyatt House
Jordan Austin, General Manager, Element Santa Clara
Virginia Scimeca, General Manager, TownePlace Suites by Marriott

A quorum was met. Justin Hart is the new General Manager of the AC Hotel in Santa Clara.

In Attendance

Melissa Belluomini, Director of Sales, Hyatt Regency Santa Clara
Kelly Carr, General Manager, Santa Clara Convention Center
Bill Benaderet, Assistant General Manager, Santa Clara Convention Center
Dan Fenton, Executive Vice President, JLL (call-in)
Anjel Phelan, Director of Sales, Embassy Suites
Nancy Thome, Assistant to the City Manager, City of Santa Clara

Public Comments

Public comment for items not on the Agenda.

Consent Calendar

Matters listed in the Consent Calendar section will be considered routine by the Advisory Board and will be enacted by one motion. If discussion is requested, that item will be removed from the section entitled Consent Calendar and will be considered separately.

1. Action on the Minutes of the January 9, 2020 Santa Clara Tourism Improvement District Advisory Board Regular Meeting.

2. Receive and file Convention Center Calendar of Events for the Period 02/01/2020 – 01/28/2022.

A motion was made by Jean-Phillippe Rollet, seconded by Jon Siebring, to approve the Consent Calendar. Motion passed unanimously (8-0).

Consent Items Pulled for Discussion

None.

General Business – Items for Discussion

3. Action on the Tourism Improvement District FY 19/20 Quarter 2 Financial Report.

Nancy Thome reported that the total TID revenue through 12/31/2019 is approximately \$1.4M. It was noted that with the revision of the TID conversion timeline, the budget for the Civitas agreement was increased to extend the contract term by six months. The year-to-date expenditures through the first quarter was \$83,764.

It was suggested that the Phase 1 budget approved by Council in May 2019 be revisited at the next TID meeting.

A motion was made by Jean-Phillippe Rollet, seconded by Peter Hart, to note and file the Tourism Improvement District FY 19/20 Quarter 2 Financial Report. Motion passed unanimously (8-0).

4. Update on the Tourism Improvement District Assessment and Conversion Timeline.

A 1.5% TID assessment, with the option to increase to 2% in the future, was approved by City Council (6-0) at the February 11 meeting. The initial motion for a 2% assessment did not pass whereby Council votes were tied 3-3.

With the decision on the TID assessment, the petition process with the hotels must begin to formally initiate the process to establish the new District with City Council. Nancy Thome is working with Civitas to update the petitions and will email to the hotel general managers early next week with the final copy of the Management District Plan. It is imperative that the general managers obtain the signatures required and return to the City as soon as possible. Copies of the signed petitions must be included in City staff's report to Council scheduled for March 17, 2020. Following the March 17 meeting will be a series of meetings to formally establish the new District and to amend the City Ordinance as it relates to the Santa Clara Tourism Improvement District. With the series of actions, the current District (under 1989 Law) will naturally expire June 30, 2020 and the new District and levy would be in effect July 1, 2020.

With the establishment of the new District (under the 1994), the TID Advisory Board will no longer be required, however, the DMO Board can elect to establish a TID Hotel Subcommittee. If such a subcommittee is established, it would be subject to the Brown Act.

JLL will work with the DMO Board to begin the creation of the budget and marketing plan.

5. Update on Silicon Valley/Santa Clara DMO, Inc.'s Fiscal Sponsorship Agreement with the City of Santa Clara.

Eron Hodges reported that the Fiscal Sponsorship Agreement between the City and the DMO was executed. This agreement allows for the City to hold the TID funds in a City account and make payments on behalf of the DMO until the DMO establishes its own bank account and can take custody of the funds.

6. Update on Silicon Valley/Santa Clara DMO, Inc.'s Website Management Agreement with Destination Advantage and Action on Invoice #337 in the Amount of \$14,000 for Visit Santa Clara and SantaClara.org program support provided from July 2020 – January 2020.

The date range on the agenda should state July 2019 – January 2020.

Eron Hodges reported the contract between Destination Advantage and the DMO has been updated and is currently with Destination Advantage for signature. It is anticipated that the DMO should received a signed copy this week. The current agreement will allow for release of the all the rights to the Visit Santa Clara name, website and related information to the DMO.

A motion was made by Joe Eustice, seconded by Jean-Phillippe Rollet, to pay Destination Advantage's invoice in the amount of \$14,000 for the work completed during the previous seven months, July 2019 – January 2020. Motion passed unanimously (8-0).

7. Update on the Silicon Valley/Santa Clara DMO, Inc.'s CEO Recruitment Efforts.

Dan Fenton reported that JLL and SearchWide can expand conversations with potential candidates to include budget size now that the TID assessment percentage has been identified. JLL and SearchWide will ensure potential candidates are aware of the local cost of living and current housing market prior to applying. Additionally, it will be noted that any candidate must have convention sales experience. The goal is to have 3 to 5 candidates for the DMO Board to interview. It was suggested that those present at the meeting let others in the industry know of the Visit Santa Clara recruitment effort. The CEO search is nation-wide, and the position is currently posted on the SearchWide website.

8. Discussion on the Establishment of a Temporary Convention Sales Manager Position.

It was proposed that a temporary convention manager position be established to focus on long-term P1s and P2s and begin to source business while the DMO continues to establish itself and during the CEO recruitment. Ideally, the temporary staff person, if successful, would be hired by the DMO. The position is unique in that it would be a Spectra employee, supervised by Spectra, supported by TID funds (which is currently in the TID's FY 19/20 Budget) and report to Spectra and the DMO Board of Directors. A draft job description is included in the agenda packet. Overall, the TID Advisory Board agreed to hire a convention

sales manager with the condition there is flexibility on the length of assignment and hourly rate, and with the open possibility of it becoming a full-time benefitted position depending on the candidates that apply.

A motion was made by Joe Eustice, seconded by Peter Hart to hire a temporary salesperson for the express purpose of selling P1s and P2s as stated in the booking policy, post the position on industry websites, and introduce Spectra to two Task Forces (temp. companies) for recruiting. Motion passed unanimously (8-0).

9. Update from the Tourism Improvement District Subcommittee on the Progress of the Funding Subsidy Guidelines.

There is no update. The Subcommittee will report out at the next meeting.

10. Update on the Convention Center Booking Policy.

Dan Fenton provided a copy of the draft booking policy narrative for the group to review. Feedback is requested by February 21, 2020. A copy of this booking policy would be provided to potential candidates so that they are aware of the DMO's priorities.

General Updates

Renovations at the Biltmore will begin in March. The hotel will be operational during the renovations and sectioned closures of the property is yet to be determined. It is anticipated renovations will be completed in 10-12 months.

Adjournment

The meeting adjourned at 10: 25 a.m. The next regular scheduled meeting is on Thursday, March 12, 2020, 9:00 a.m. at the Hyatt Regency Santa Clara.