

DISCOVER Coronado

Special Annual Meeting Minutes March 7, 2019, Council Chambers, Coronado City Hall

1. **Call to Order.** The meeting began at 2:05pm. These Advisory Board/Board of Directors were present: Sean Clancy, Harold Rapoza, Jori Fentiman, Sue Gillingham, Sue Godwin, Eddie Warner, Robin MacCartee and Claudia Ludlow. Nusrat Mirza was absent. Also in attendance: Executive Director (ED) Todd Little, Siri Gawecki, Hannah Campbell, Tom Ritter, and Kelly Purvis.
2. **Approval of March 7, 2019 Minutes.** *Motion for approval: Clancy, Second: Rapoza.*
Approved 8-0
3. **Staff Discussion.** The ED updated the Board on the assessment. \$41,867 was collected for each district in January, flat from the January 2018 total. To date, \$427,725 has been collected for each district. Discover Coronado is still pacing about 10% increase year-over-year, but the ED believed that margin will erode to 3-5% when this fiscal year closes.

The Board was told March is a busy month for sales outreach. Gawecki has completed a trip to Atlanta to network with meeting planners, next week she will do the same in Denver. There will also be a client dinner at Loews planned by SDTA. In early April, Discover Coronado will host clients from Silicon Valley at Opening Day for the San Francisco Giants. Gawecki will meet with clients based in Boston and New York City.

The ED informed the Board that safety representatives from the assessed resorts have met with Coronado's police, fire and lifeguard services to share facility updates, developing communication systems and establishing new safety procedures. The meetings are building bonds between stakeholders and ultimately improve the safety of the destination.

4. **Oral Communications.** None
5. **Nominate and Approve Officers.** The ED reminded the board that Nusrat Mirza from Coronado Island Marriott Resort is moving to a new Marriott in Anaheim, California. That leaves his role of Treasurer vacant. Sue Gillingham has agreed to serve as the Secretary through FY20. The ED called for a vote on her role as Secretary (approved by the Board 8-0.) Clancy nominated Ludlow for Treasurer and she was approved by the Board 8-0.

Ludlow nominated Rapoza for Vice Chair and he was approved by the Board 8-0. Ludlow also nominated Clancy for Chair and he was approved by the Board 8-0.

- 6. Review and Approve Use of Business Development fund.** Gillingham and the Chamber of Coronado (as well as Main Street) gave a proposal for the use of \$75,000, which remained in the FY19 budget for business development. The plan is to engage and invite hotel conference guests to shop and dine in Coronado, enhance the "after dark" experience and envision downtown revitalization. Eddie Warner of MainStreet expressed their efforts to enhance the downtown after dark experience by lighting the 100 and 800 blocks of Orange Avenue by wrapping lighting around all the trees. Main Street would manage the project with an upfront cost of \$45,000 and yearly maintenance of \$10,000. Main Street also wants to begin a "Nights Out" program to build off of the Shop Local events that took place during the holiday season. This would extend retail business hours and provide street entertainment giving residents a reason to stay out later and businesses a reason to stay open longer. Main Street would also manage this program with four annual events and a total cost of \$29,600 for the year.

The ED spoke on expectations groups may have on Orange Avenue/Coronado when they visit the city. He expressed his concern that it may be falling short. He recommends hiring a firm to do a branding/research study and then an urban development-planning firm to create renderings to bring harmony to the streetscape, lighting, foliage and access, which would support the Orange Avenue Specific Plan. The three firms were mentioned: Civitas, CityWorks, and Carrier Johnson and Culture. They all have ties to San Diego and could elevate Coronado to the next level. The ED then made a case for why the renderings should come last in the process after a complete branding study as they would reflect bigger picture goals, and provide more accurate capital budgeting. Conversely, producing renderings first which may spark immediate action, expedite the journey to capital budgeting and start before economic correction.

The branding study is meant to validate the experiential promise of the island, craft a brand platform that resonates and drives demand, produce visual renderings that express the new platform. The cost for complete study and renderings can range between \$15-75k and take between 6-8 weeks to be completed. Sue Gillingham then gave her recommendations that \$75,000 immediately be used for the branding study, updating visitor website and finalize street lighting. And then after branding completion develop renderings, marketing materials and refresh website, and budget \$150,000 in FY19-20 for completion of the plan.

Warner questioned why there would be redundant webpages and Sue clarified there wouldn't be, it would clean up the old page and then use that for the new site launch. Clancy questioned if "Nights Out" program would be marketed to San Diego as well and Warner answered that it has only been done to Coronado in the past, but could change.

Warner asked the ED if he thought it was unrealistic to redo all of the blocks of Orange Avenue and the ED expressed that was for the City to decide. The study and renderings would suggest improvements and then be carried out by the City. MacCartee expressed his support for the ED's idea that renderings should come after the branding study and that the medians in the city would be a huge opportunity for improvement, (they could be made an attraction and seen as an asset.) The ED agreed that in a version of renderings the medians could be included.

Warner pointed out that there had been unused funds for community initiatives in the past. Sue Godwin expressed that might be true but the investment needs to have a clear vision with a metric for measuring. Clancy echoed Godwin's concerns that there was so much potential but that it needed to be researched and funded appropriately.

The Board in general expressed its concerns that the CTID no longer can engage guests from San Diego or tourists. Rapoza and Clancy both agreed that branding and a long-term vision are critical. MacCartee echoed that the website is a great place to start because it does receive so much web traffic. Clancy felt Coronado could try to please both residents and visitors like cities such as Denver do.

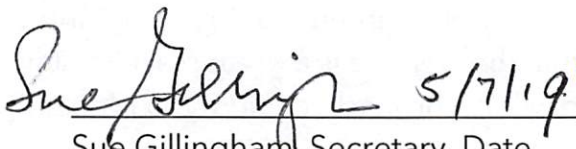
Gillingham expressed that the hotels are ready to receive new collateral for marketing and Warner said she has contractors ready to electrify the street lighting.

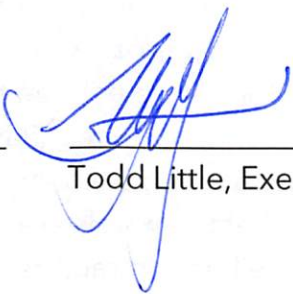
Clancy motioned to fund some parts, but cutting out the lighting and the "events after dark" and funding what is mentioned in the motion. *Motion to support long term branding study and urban development plans/renderings, and approve branding collateral, landing page renovations and a video to promote local businesses. \$40,000 from FY19 budget to the Chamber for branding collateral, the landing page renovation and video, \$75,000 to support branding study and urban development renderings, \$35,000 from FY19 budget and \$40,000 from FY20 budget. Motion: Clancy, Second: Rapoza, approved 7-0, Gillingham recused herself from the vote.*

7. **Approve Draft Budget for FY20.** The ED informed The Board that the appropriations for FY20 budget were based on FY19 investments. He then outlined changes in the FY20 budget. 1) The assessment total of \$700,000 per district based on renovations at the assessed properties. 2) A new category of group security has been added for a total of \$70,000. 3) A site inspection line was added for training of \$20,000. 4) A new sales campaign to be executed in FY20 for \$26,000. 5) Budgeting for the economic impact study. 6) A destination revitalization budget of \$70,000. 7) A office relocation/furniture cost of \$4,000, because the Discover Coronado office will have to relocate in FY20. One other new point for FY20 is an updated payroll tax and workers comp line based on wage increases for the ED and assistant. The ED then showed the projected appropriations for District One in a pie chart, 30% was for community enrichment, 47% to destination sales, 15% to operations and 8% retained for income. Clancy suggested since there is some

softness in the assessment totals and renovations happening to resorts in FY20, that \$50,000 be added to service credits (\$25,000 from each district) for a closing tool for the resorts to use. He said it would be a responsible use of retained earnings to help bring business to the assessed resorts in a need time. Rapoza was in favor of Clancy's suggestion. *Motion for approval of draft budget with \$50,000 total (\$25,000 in each district) added to service credit category from prior retained earnings: Motion: Clancy, Second: Rapoza. Approved 8-0*

8. **Adjournment.** The meeting was adjourned at 3:25 pm.

 5/7/19
Sue Gillingham, Secretary, Date

 5/2/19
Todd Little, Executive Director, Date