

MINUTES – TOURISM BUSINESS IMPROVEMENT
DISTRICT (TBID) ADVISORY BOARD
REGULAR MEETING – AUGUST 15, 2019
VETERANS MEMORIAL HALL – 9:00AM

MEMBERS PRESENT:	Steven Allen Isaac Su Joan Solu Amish Patel Chris Kostecka	Vice Chair Member Member Member Member
ABSENT:	Charlie Yates Nancy Dickenson	Chair Member
STAFF PRESENT:	Scott Collins Jennifer Little Heather Goodwin Megan Leininger Liz Gilson	City Manager Tourism Manager Deputy City Clerk Marketing & Communications Coordinator Tourism Assistant

ESTABLISH QUORUM AND CALL TO ORDER

https://youtu.be/GW_D4LHxIE8?t=25

Vice Chair Allen called the meeting to order at 9:02 a.m. with five members present.

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

BOARD MEMBER ANNOUNCEMENTS- None

STAFF ANNOUNCEMENTS- None

PUBLIC COMMENT

https://youtu.be/GW_D4LHxIE8?t=124

Janice Peters, By the Sea Productions Theatre Company, stated that they were not awarded any funds this year and encouraged the TBID to sponsor one of their theatre shows in the future.

Maggie Juren, spoke on TOT results for fiscal year 2018-19 and the reopening of HYW 1; noted that business has declined for the 2 hotels she manages; hopes that the budgeted money for the coming fiscal year will result in continued gains; spoke in support of projects that will beautify the city.

Andy Hamp, opined that he feels rushed speaking at 2 minutes during public comment; asked the board to reconsider changing the time back to 3 minutes.

Sean Green, Morro Bay, stated that he felt surprised that the board changed the public comment period from 3 minutes to 2 minutes.

In response to public comment, Board Member Solo requested that the board consider changing the public comment period back to 3 three minutes. By consensus, the board changed the time from 2 minutes to 3 minutes.

Janice Peters, By the Sea Productions Theatre Company, thanked the merchants, restaurants, and hotels for posting the theatre's advertising and thanked the City Manager for his participation at a recent Rotary performance.

Vice Chair Allen closed public comment.

A. CONSENT AGENDA

https://youtu.be/GW_D4LHxIE8?t=657

A-1 APPROVAL OF JUNE 20, 2019, TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) ADVISORY BOARD MEETING MINUTES

RECOMMENDATION: Approve as submitted.

A-2 APPROVAL OF MENTAL MARKETING REPORTS FOR JUNE AND JULY 2019

RECOMMENDATION: Approve as submitted.

A-3 MAY AND JUNE 2019 TRANSIENT OCCUPANCY TAX (TOT) REPORT AND YEAR OVER YEAR TOT REPORT; (TOURISM MANAGER)

RECOMMENDATION: Receive and file.

MOTION: Board Member Solu moved approval of A-1 through A-3. The motion was seconded by Board Member Kostecka and carried 5-0-2, with Chair Yates and Board Member Dickenson absent.

B. BUSINESS ITEMS

B-1 CONSIDERATION OF INCLUDING VACATION RENTALS (VRS) AND RECREATIONAL VEHICLE PARKS (RVS) IN THE TOURISM BUSINESS IMPROVEMENT DISTRICT (TBID) ASSESSMENT; (TOURISM MANAGER)

https://youtu.be/GW_D4LHxIE8?t=705

Tourism Manager Little gave the report and answered questions from the Board. Tourism Manager Litter invited Consultant Lori Keller to the podium and responded to Board questions.

Public Comment:

Maggie Juren, co-owner of 2 VR property management companies in Morro Bay, opined the following: 1) VRs should contribute at 1% or 1.5%; 2) stated that they would be in favor of not putting a VR position on the board with a lower percent but would willing to give money towards general promotional marketing; 3) stated that if the board chose 2% they would be in favor of adding a VR seat and adding VRs to the website; and 4) they would want the TBID rules changed the 1994 rules.

Ian Starkie, Rock Star Properties Inc., stated that his management company manages 15 vacation rentals; questioned the board on how reservations are made; opined that the VRs/RVs owners should be the ones making the decision to see if they want to join; stated that his company has reservations booked with full payment (without tax assessment) until summer 2020.

Andy Hampp, Cypress RV & MH Park, and other MB RV Parks, expressed opposition of the RV Parks inclusion in the TBID assessment; stated that state, county, federal, and private own parks

that are not in the city and will not be assessed; noted that there are 8 neighborhood parks in this category; opined that RVs are in a different market industry than VR and Hotels.

Sean Green, Morro Bay, expressed disappointment in the staff report presented.

Vice Chair Allen closed public comment.

The board invited Andy Hampp, Cypress RV & MH Park, to the podium to answer question for further discussion. Mr. Hampp stated that every private RV park in county jurisdiction will not be assessed.

MOTION: Board Member Solo moved to recommend to the City Council to include vacation rentals into the Morro Bay TBID beginning January 2020 at 2% and beginning July 1, 2020/2021 fiscal at 3%. Further motion that RVs are included at no more than 1%. The motion was seconded by Board Member Su for further discussion.

By consensus, the board agreed to withdraw the motion on the table.

MOTION: Board Member KostECKA moved to recommend to the City Council to move forward with including VRs and RVs in the Tourism Business Improvement District at 3% making all three industries equal beginning at the fiscal year of July 1, 2020. The motion failed for lack of second.

The board invited Ian Starkie, Rock Star Properties Inc., to the podium to answer questions for further discussion. Mr. Starkie expressed the difficulties of having a tiered system of making online reservations with a tax assessment.

MOTION: Board Member KostECKA moved to recommend to the City Council to move forward with including VRs and RVs in the Tourism Business Improvement District at a rate of 3% with an effective date January 1, 2020 on all reservations received from that date forward. The motion was seconded by Board Member Patel and carried 5-0-2, with Chair Yates and Board Member Dickenson absent.

City Manager Collins briefly discussed the next steps about when this item will be heard at Council.

B-2 2019-20 EVENT GRANT SUPPORT APPLICATION REVIEW AND APPROVAL; (TOURISM MANAGER)

https://youtu.be/GW_D4LHxIE8?t=6078

Tourism Manager Little gave the report and answered questions from the Board.

Board Member Su left the meeting at 10:45 am and returned at 10:48 am.

Public Comment:

Michell Roost, Chair of the Winter Bird Festival, and Jeannette Stone, Vice Chair of the Winter Bird Festival, stated that this is the 24th anniversary of the Bird Festival and spoke about their upcoming their event.

Vice Chair Allen closed public comment.

MOTION: Board Member Solo moved to approve event grant funding recommendations in Section 1 and recommend grant applications in Sections 2 and 3 be placed on hold until final budgets are received from FY 2018-19 and City Council has approved additional funds be moved into FY 2019-20. The motion was seconded by Board

Member Kostecka and carried 5-0-2, with Chair Yates and Board Member Dickenson absent.

C. DECLARATION OF FUTURE AGENDA ITEMS

https://youtu.be/GW_D4LHxIE8?t=7141

Board Member Solo asked for the following items to be added as future agenda items:

- 1) Discuss the possibilities to include retail and restaurant services including rentals such as kayak and paddleboard rentals into tourism destination marketing.
- 2) Discussion of moving the TBID to the 1994 Act and understanding what the differences are between the 1989 and 1984 TBID law under the streets and highway codes.
- 3) Discussion on the TBIDS budget adjustment number and how it could be allocated.
- 4) Update on the Citywide banner flags on flagpole process. Would like to see a cohesive program.

D. ADJOURNMENT

The meeting adjourned at 11:08 a.m.

The next Regular Meeting is scheduled for September 19, 2019.

Recorded by:

Heather Goodwin
Deputy City Clerk