

# Coronado Tourism Improvement Districts (CTID)



## Minutes from CTID Advisory Board & Board of Directors July 2, 2015, Council Chambers, Coronado, California.

1. Call to Order. The meeting of the CTID I & II was called to order at 2:04 p.m. The following CTID Advisory Board/Board of Directors were present: Claudia Ludlow, Nusrat Mirza, Sean Clancy, Mary Ann Berta, Eddie Warner, David Spatafore, Cindy Anderson. Andre Zotoff and Phil Monroe were absent.
2. Also in attendance: Executive Director (ED) Todd Little, Tom Ritter of the City of Coronado, Margie Sitton from San Diego Tourism Authority (SDTA,) Cheryl Ferguson from Hotel del Coronado, George Allen, Derek McCann and Brandon Walton from Loews Coronado Bay Resort, Janet Francis from Coronado Visitor Center and Sue Gillingham of Hotel Marisol Coronado.
3. Approval of Minutes, April 2, 2015. Eddie Warner asked for clarification on the sponsorship of the Coast Guard demonstration. The program was approved by CTID Officers because it was a timely decision that needed to be made between meetings. *Motion for approval: Spatafore, Second: Warner. Approved 6-0 (Mirza had not arrived.)*
4. Staff Discussion. On June 16th, the Coronado City Council held the last two public hearings for CTID II. The ED thanked Tom Ritter and Jerome Torres from the City for their assistance during the approval process. Thanks also went to Claudia, Andre, Mary Ann, Phil, Cindy and Sue Gillingham for attending the meeting.

July 1 marked the start of fifth year of the Coronado Tourism Improvement District. District II technically began on June 16th but the hoteliers are permitted to waive the assessment on

business already on the books. Otherwise all new business for August 1 and beyond will include the second assessment.

The Free Coronado Shuttle began on June 7th and everything is going well.

Loews Coronado Bay Resort continues to provide free passes for the 901 bus into Coronado. They have a supply of 75 passes per week and an extra 100 for July 4th. The CTID is funding this program so their guests leave their vehicles parked at the resort. The program will continue through mid-September.

5. Oral Communications. Eddie Warner said Coronado Mainstreet had not discussed the trash-can project she is leading with David Spatafore and Cindy Anderson.
6. Review SDTA FY15 Achievements, Approve SDTA FY16 Direction and Budget. The ED said now that the City has approved the second district, the CTID will have funds to compete against other coastal group meeting destinations. The San Diego Tourism Authority has twice met with the general managers and group sales teams for the assessed hotels to ascertain needs and identify growth strategies.

Margie Sitton recapped the year that included the hiring of Melinda Smith who developed an incentive group strategy that included sales trips, trade shows and scheduling fam tours for meeting planners.

Melinda has contacted a great number of incentive companies and either attended or plans to attend a significant number of events where she'll represent Coronado. A large group of Canadian meeting planners visited Coronado in May and it has already led to several bookings in Coronado.

In FY15 the SDTA booked 29,888 room nights as a result the CTID partnership. Hotel RevPar (profitability) has grown 13.6%. Occupancy grew 9.7%. Room rate averages climbed to \$211.55.

In District 1 for FY16, Margie recommended increasing Melinda Smith's percentage from work for Coronado from 30% to 50%. The sales team at SDTA will also increase their responsibility percentage to 50%. Fam trips will climb to five and Coronado will attend a large number of trade shows with a presentation next to San Diego's position. Margie recommends getting the hoteliers in front of decision-makers to close business as well as purchasing a report of sales information that pertains to competitive destinations. Margie recommends the development of four promotional videos to help meeting planners realize

the virtues of Coronado. It would be distributed via a number of channels. A high-profile direct mail piece was also encouraged. To offset the expenses, \$216,000 remaining from the FY15 budget would be applied towards costs in District I.

For District II, the recommendations included targeting all types of group meetings, not just incentive-planners. With the additional funds in the second district, Coronado can, for the first time, host prestigious groups of meeting planners. Margie recommended hosting and seeking direction from an advisory board of highly-influential meeting planners. Other recommendations included attending key trade shows, hosting more high-level familiarization tours and creating a signage strategy that welcomes those individuals.

Brandon Walton spoke about the types of meeting planners Coronado can now afford to host. On July 1 the very first group destination proposal was sent. Hosting these guests could deliver a significant return on investment (ROI) during shoulder seasons. George Allen referenced the ROI he has witnessed when a destination hosts high-profile meeting planners. He said a \$200,000 cost was covered within six months and it led to \$1.2M in business in the first year. George said hosting another group generated \$2M on an initial \$500,000 investment. Sean Clancy reminded the group that hosting these types of groups will almost certainly steer new business to Coronado. Cheryl Ferguson outlined why an advisory board could produce terrific information and revenue for the Coronado. Assembling a panel that touches a number of group categories will allow Coronado to accelerate its return on investment.

Margie Sitton outlined the projected budget for District II in FY16 that included sponsorship/hosting of top-level group planners, the advisory board visit, tradeshow costs, additional fame trips and welcome signage. It totaled \$450,000 and included \$60,000 in contingency funds.

Claudia was excited about the proposals and said her Inn could contribute comps as needed. She was equally excited about Coronado being seen and represented in new arenas. Nusrat thought the plan worked because it sells Coronado first and the hotels second; a real win for local businesses and the community. Cindy Anderson asked how these groups might help her local luxury spa/salon. Margie felt the videos would be a great place to showcase businesses like hers and others so decision-makers can appreciate the attributes of the entire destination. Margie said often the spouses of group guests seek out salons that are exceptional. Nusrat said meeting attendees are looking for things to see and do after lengthy meetings and salons are a great option. Cindy Anderson voiced concern that local shops close too early in the evening. George Allen thought it may be an opportunity to orchestrate evening events so shop owners could collectively engage

meeting attendees looking for fun. Janet Francis reminded the group that the Visitor Center has produced a visitor guide that can be made available for tradeshow and welcome kits of meeting planners.

Eddie Warner asked if the Local Marketing budget could be increased to counter-balance the increase in national/group meeting budget. She felt City Council would appreciate it. Nusrat felt the modification could dilute the group meeting effort to shift dollars from District II into Local Marketing. David Spatafore could understand an interest in increasing Local Marketing, but not at the expense of the CTID hosting groups of meeting planners. He wished the Local Marketing effort could be more impactful but it simply brands Coronado. He voiced concern that increasing Local Marketing could increase the number of cars from day visitors and that City Council appreciates groups because they lessen vehicle usage. Eddie suggested applying additional funds to a time specific event such as a Coronado Restaurant Week. Mary Ann Berta said that had been discussed in the past but not all restaurateurs showed interest. George Allen suggested using some money to embellish the ferry schedule from San Diego so it brings more people to Coronado without the concerns of vehicle usage. Derek McCann reminded the Board that group attendees are highly-coveted because have more disposable income to spend across the city. After discussing trading budget lines between districts, *David Spatafore motioned to move the \$60,000 contingency line in District II to Local Marketing in District I. Conversely, the \$40,000 Sales Program of Work and Coronado Trade Show Display would move to District II. Second: Anderson. Approved 7-0.*

7. Review ED Job Description, Admin Job Posting and Budget. Claudia said the ED had provided a description of his position as well as a sample job posting for a future Admin Assistant position. Cindy Anderson asked how the ED might apply the proposed \$500 continuing education budget. The ED outlined five different options, including the California Travel Summit or IMEX meetings where seminars on marketing and tourism improvement districts are held. The ED said the SDTA often hosts marketing and social media seminars. He felt executive coaching and training was an option with an organization such as Vistage. Computer and software sessions would also be a valuable addition as would hospitality courses at San Diego State University. Nusrat felt \$500 was a drop in the bucket and would produce results for the ED and organization. Eddie would like the description to be formatted differently with bullet points. *Motion to reformat job descriptions and 3% salary increase for the ED to \$73,500: Spatafore. Second: Anderson. Approved 6-0 (Clancy had left the meeting.)*
8. Adjournment. The meeting was adjourned at 3:50 pm

*Claudia Ludlow* 8/6/15

Claudia Ludlow, Chair, Date

*Todd Little*

8/6/15

Todd Little, Executive Director, Date