

South Lake Tahoe Tourism Improvement District (SLTTID)
Board of Directors Meeting
2:00 pm, Monday April 6, 2020
Virtual Zoom Call

A. Call to Order

The meeting was called to order at 2:00 pm by Board Chairman Jerry Bindel.

B. Roll Call

Board members present: Jerry Bindel, Doug Williams, Rich Bodine, Lisa Underwood and Bill Cottrill.

C. Introduction of Guests & Staff

Staff: Sue Barton and Carol Chaplin with the Lake Tahoe Visitors Authority and Anne Sutterfield, Minutes.

Guests: None.

D. Approval of Agenda

A motion was made to approve the agenda.

Moved: Doug Williams

Seconded: Rich Bodine

Approved: Unanimously

E. Approval of Minutes

A motion was made to approve the minutes from Previous Meeting

Moved: Rich Bodine

Seconded: Doug Williams

Approved: Unanimously

F. Public Comment (Non-Agenda Items, 5-Minute Limit)

None

AGENDA

1. Financial Updates

Bill Cottrill went over the financials **PDF of Budget Spreadsheet**

- Discussion about April, May and June revenues. Not sure about July.
- Depends on when we get back to business.
- Could be issues with Harveys Concerts and Celebrity Golf.
- Sue mentioned Celebrity Golf reevaluation will occur on May 1st. It is really about access and availability of the Celebrities. Also, does American Century want to take the risk.
- Financial numbers October through January were down each month.
 - October down 10%
 - November down 3.5%
 - December down 8.3%
 - January down 5.3%
- We have \$191,755 in the contingency account.
- Bill and Jerry need to do a transfer, maybe Thursday.
- Bill commented last November, December (2018) and part of January they had the Top Gun film crew in house. They did not come in 2019
- Doug commented he thinks February will be down 6-10% due to no snow.
- January and February were strong for Bill and Rich, occupancy and rate.

- Doug commented the Statewide Tourism Group is expecting the whole year (fiscal 2020) to be down 35%. Vacation spending was 154 billion, now going to be 100 billion. We need to think about adjustments to our budget.
- Lisa commented she doesn't have a lot of confidence in those numbers, not a lot of seasonality in those figures.

2. Discussion/Possible Action

A. Discussion and Potential Action Regarding Support for Line-Level Lodging and Service Industry Employees

- Jerry commented, last week on the lodging board call, he mentioned we need to start to consider for 2 - 3 months how to support line-level lodging employees. Some will get unemployment insurance and Cares Act, \$1,200 per adult and \$500 per child. There is a fairly significant portion of employees that will not benefit from that and will potentially fall through the cracks.
- Bill and Jerry spoke after the call and wanted to discuss with the group if this is an appropriate use for some of the contingency money, to help lodging constituency, line-level employees with basic necessities, food specific to help with April, May and June. Other organizations help with shelter, Tahoe Magic, helps with rent.
- Bill spoke to his wife who works with the school district and came back with some interesting comments.
 - The whole town is in the service industry. All tourism related. It is hard to pick which line-level recipient. You have to rely on the people who work with these people on a daily basis. Looking at the families, 4-5 kids or more. Teachers going to kids every day. Maybe allocate some Raley's/safeway gift cards in \$100 increments and let them use their best judgement who to give them to. A lot of these people do not have cars, they walk to Raley's or walk to Safeway. Teachers have already vetted who the most needy families are. \$10,000 worth of gift cards to give to these teachers to hand out to those that are really in need.
- Jerry commented that teachers are cooking food for some of these families. Concern would be a mis-use of \$100 gift cards. Maybe reach out to Raley's about \$20 bag of necessities, instead of giving a gift card.
- Doug commented why wouldn't lodging property employees qualify for unemployment?
- Bill commented a lot of undocumented folks in town.
- Rich commented people are scared to file.
- Undocumented ones not getting anything like documented ones getting unemployment and government help.
- Some have employee numbers, temporary ID numbers but not social security numbers.
- Doug commented instead of gift cards, go to Christmas Cheer and Bread & Broth ask if certain time frame lodging people can come in for pickups.
- Bil commented that would be a big challenge in operations and also do not know who is the most needy for food. The teachers already know who the most needy are.
- Carol commented Bread & Broth not functioning the way it used to. Also do not think Christmas Cheer has the volunteers to identify lodging employees
- Doug commented handing out \$100 gift cards will only help 100 people, when there are like a thousand or more that have a need. Food banks sell food for much cheaper than you can get at Raley's/Safeway. Get the word out to employees where to go.
- Bill commented lodging people in general have unemployment, government help, etc. We want to get the help to the truly needy. No car to get to Christmas Cheer.
- Jerry commented that Marissa Fox, a local attorney in town with MOBO Law Firm runs non-profits. They would be willing to be our distributor of this. No fee, 100% would go to the needy party. Not thinking bread & broth will work for this particular population that we are talking about. Going through a non-profit maybe vet even more. Make sure we are following the proper policies and procedures.

- Doug commented employers could bring back some employees to make deliveries.
- Rich commented he likes the MOBO Law Firm idea.
- Lisa commented she seconds the MOBO idea. Needs to be as easy as possible and be able to reach as many people as we can.
- Bill commented he is in favor of allocating to the two teachers who know who and where the families are.
- Jerry commented that we can choose to use the teachers, distributing through the non-profit, (Amanda Hummins and Amy Jackson).
- Doug commented he would like to help more than a 100 people. And the food banks can purchase food much cheaper.
- Jerry commented that we could do \$50 increments.
- Lisa commented that there are other ways but not quickly and efficiently and being able to distribute. Think it should be centralized in the Stateline area.
- Bill commented that 15-20 families in the Raley's Stateline and another 15-20 Safeway area and at the Y area. Really getting the most needy individuals. Not meant to be for a full year. Will make an impact for these folks.
- Jerry commented that \$10,000 is a good first one. Maybe look at doing another increment in the future.
- Doug commented have to be aware of our budget in June/July and be ready to market when open
- \$191,000 in contingency fund. Heavenly Holidays is the single biggest item at 60-65K. Anything else unallocated except for LTVA.
- Carol commented that through the end of the year we are ok. Next year will be a different story, some things paused/reduced. We have to climb out.
- Sue commented that Bread & Broth has extended their Friday kids backpack program to include Mondays also. Also adult food pick up on Mondays and Fridays. Boys and Girls do hot meals daily, Monday through Friday.
- Doug commented Christmas Cheer is open Tuesday, Wednesday and Thursday, 11 am - 2 pm.

A motion was made to allocate \$10,000 with a mix of Raley's and Safeway gift cards for distribution to MOBO Law and work with Amy and Amanda to distribute them.

Moved: Bill Cottrill

Seconded: Lisa Underwood

Approved: Unanimously

- Carol commented they can put out a media alert about the TID helping families. Although someone may say where's mine.
- Rich commented he doesn't think people know who the TID is.
- Doug commented maybe a challenge to other entities.
- Lisa commented, maybe go through the Chamber to do a challenge.
- Bill has to sign off. He says thanks and stay safe.
- Jerry will make this happen with the TID.

B. Other Updates. LTVA.

- Budget reprojected.
 - Thanks to Tony and Sue we have cut out \$462K from budget from now through June 30, end of fiscal year.
 - As part of board approval the budget was a negative budget anyway, \$301K in the red to accommodate a bigger amgen participation this year. Considerable savings from that line itself.
 - We will finish the year at \$319K flat to budget.
 - Sue commented that they were very conservative with income projections. TID and Douglas County 10% down for February. 80% down for March. No revenue for April,

May and June. \$463K savings to budget line items. \$920K, almost a million dollars lost.

- Question on whether government workers pay taxes. Yes, they pay and get a check from the City. Thinks it does short the TID via the City.
 - Doug commented construction people work for subcontractors. They would pay.
 - Carol commented TDVA is in the process of reprojecting. There is an MOU in place. Not sure if a Force majeure would relieve the MOU. Event Center is another issue.
 - We will end up flat to budget and that is with preserving all advertising monies and pausing all advertising except Weddings. Lots of interest in weddings for next year.
 - Pausing everything but keeping it in the "bank" for a recovery to spend in this fiscal by the end of June.
 - Doug asked how much? Everything we had planned on spending (\$120K on paused campaigns) plus in May and June another \$150K or so. Gives us a robust budget for when we are ready to come out when ready.
 - Weekly calls with agencies. They are now plotting the media buy to put in place within 2 weeks digital and social initially. Six week lead time for Television.
 - Had a conversation today about leveraging dollars with North Lake Tahoe and Reno Tahoe. Two campaigns. An umbrella message for the region. Promote Lake Tahoe generally and separately South Shore.
 - Reno reporting last week 44% occupancy in the open hotels. 23 properties were open. Non-Casino properties. before the governors last directive at the end of the week.
 - If North Lake put in \$50K, we put \$50K and Reno Tahoe put in \$100K. Having the conversation.
 - Good opportunity to use visitinglaketahoe.com already set up platform North and South Shore.
 - We need to be careful not to put a lot of money into creative. Needs to be authentic.
 - We have paused Expedia and TripAdvisor right now. We do not lose our TripAdvisor page. Just paused.
 - Jerry asked if we have started the fiscal 2021 budget yet? Bringing to the board in June. Will work on expenses that we know. But to put a revenue budget together in April not an accurate picture of what will go on.
 - Celebrity Golf decision May 1st and TDVA Fireworks decision by May 15th.
 - No Harveys concerts in June. Don't want to be domesday, want to be realistic and anticipate the worst.
 - LTVA is not coming back to the TID for any assistance in this fiscal year. Not dipping into reserves.
 - Went from a negative \$301K to a negative \$319K. Not too bad, could have been much worse.
- **Event Center**
 - Event Center got bumped off the Thursday April 9th agenda. Now scheduled for April 16th.
 - Still optimistic have 3 votes. Still have some opposition. Can't sell bonds right now. Finance team looking for short term money for a plan B scenario for the summer. Underground the electricity, relocate water lines, no full excavation. Will extend the season for building. Not going to get bonding for full 84 million.
 - In may if something happened we could go back to scenario A. The reason can't postpone altogether is there is a reprimandum out there in Douglas County to revoke the redevelopment area in November. The likelihood of them being able to do that is pretty high.
 - Once we bond they can't touch the redevelopment area.
 - When can we bond? changes weekly. Trying to shore up a \$10-15 million short term bond to get through the shortened construction project.

- **Marketing Group - Duncan Channon/ Agencies**
 - When is the message going out? We have no clue.
 - They are working on it. 3 phases so far, coming up with a focus statement.
 - In the next week to 2 weeks should have that dialed in.

G. Board Member Comments

- Doug commented that a couple of his brothers applied for the Protect Payroll loan grant and they both got it already. Bank of America and Chase holding off. 75% of the loan has to be used on employees.
- Rich commented their owners were working on it.
- Jerry commented that Wells Fargo capped at 10 billion. From Saturday to Monday they have exhausted the entire 10 billion amount.
- Sue commented that LTVA is trying to see what we are eligible for as a 501c6.
- Jerry commented to reach out to Marissa Fox via email she can help.
- Doug commented his brothers went through Greater Nevada Credit Union and have already got their money.
- Doug asked if anyone can be on STR calls. Yes, anyone, although limited to 1,000 people. Thursdays at noon. Call recording and slides on the STR.com website within 24 hours of each call. Calls are only 35 min long. Remember they speak about the nation, not only California and Nevada.
- One of the STR analyses was that our recovery will be a lot longer because we did not shut down the whole country. China at 25-30% occupancy from zero in 2 months.
- 2008-2009 recovery took 7 years for ADR to get back. Yan with STR says as long it takes you to drop your rate, it takes 2x longer to get the rate back.
- If tap through the \$10K might have another emergency meeting. Will see how it goes.

H. Next Meeting

Next Meeting Date: Thursday, April 23, 2020

I. Adjournment

The meeting was adjourned at 3:00 pm.