

**SANTA CLARA TOURISM IMPROVEMENT DISTRICT
REGULAR MEETING – MINUTES**

September 16, 2021, 8:00 a.m.

COVID-19 NOTICE

Pursuant to the provisions of California Governor's Executive Order No. N-29-20, issued on March 17, 2021, to prevent the spread of COVID-19, the Santa Clara Tourism Improvement District has implemented methods for the public to participate remotely.

The public can participate remotely via Zoom: <https://zoom.us/j/98657340279>, Meeting ID: 986 5734 0279 or by phone: 1 (669) 900-6833.

Call to Order

Chair Hodges called the meeting to order at 8:03 a.m.

Roll Call

Present: 4 Joe Eustice, General Manager, Hilton Santa Clara
Peter Hart, General Manager, Embassy Suites
Eron Hodges, General Manager, Hyatt Regency Santa Clara
Christopher Sullivan, General Manager, Marriott Santa Clara

Absent: 7 Bridgette Burns, General Manager, TownePlace Suites by Marriott
John D'Agostino, Interim General Manager, Avatar Hotel
Justin Hart, General Manager, AC Hotel Santa Clara (joined at 8:09 a.m.)
Brent Larkin, General Manager, Plaza Suites
Alan Mass, General Manager, Hyatt House
Jon Siebring, General Manager, Delta by Marriott
Ryan Turner, General Manager, Element Santa Clara

A quorum was not met.

In Attendance

Ruth Mizobe Shikada City of Santa Clara
Nancy Thome, City of Santa Clara
Dan Fenton, JLL
Juliet Vasquez, JLL
Kelly Carr, Spectra
Michelle Knipe, Hilton
Melissa Belluomini, Hyatt Santa Clara

Public Comments

There were no public comments.

Consent Calendar

Items listed in the Consent Calendar section are considered routine by the Santa Clara Tourism Improvement District (TID) and will be adopted by one motion. There will be no separate discussion of the items on the Consent

Calendar unless discussion is requested by a member of the TID, staff or public. If discussion is requested, that item will be removed from the section entitled Consent Calendar and will be considered under Consent Items Pulled for Discussion.

1. Action on the Minutes of:

- Santa Clara Tourism Improvement District – July 15, 2021
- Santa Clara Tourism Improvement District – August 19, 2021

There was no action taken as there was no quorum.

Consent Items Pulled for Discussion

Public Presentations

This item is reserved for persons to address the TID on any matter not on the agenda that is within the subject matter jurisdiction of the TID. The law does not permit action on, or extended discussion of, any item not on the agenda except under special circumstances. The TID or staff may briefly respond to statements made or questions posed and may request staff to report back at a subsequent meeting.

There were no public presentations.

General Business – Items for Discussion

2. Update and Discussion on the City of Santa Clara Proposed Transient Occupancy Tax Increase.

Chair Hodges introduced Kenn Lee, City of Santa Clara Director of Finance.

Kenn Lee stated that Ballot Measure E passed in November 2020 which included up to 4% in TOT at approximately 74% voter approval. This was presented to City Council in June as part of the budget process with a recommendation of an increase of 2%. Council directed implementation of the increase for January 2022. A letter was recently sent to the hotels with this update and with next steps. The first reading of the Ordinance will take place at the September 28 Council meeting. Kenn welcomed and encouraged all to attend, comment and participate. Approximately 30 days after the first reading is the second reading – sometime in early November. Assuming both readings pass, official notices would be sent to the hotels of the effective date of January 1, 2022 or another date if Council decides. The remittance process for the TOT will remain the same. The current TOT rate of 9.5% would increase to 11.5%, not including the TID assessment,

Justin Hart joined the meeting at 8:09 a.m.

Chair Hodges asked if there was any opposition and if there had been any thoughts of increasing the TOT more than 2%. Kenn indicated he had not heard of any opposition. The proposed TOT increase was presented at three different meetings and there was no feedback received at those times. Currently there is no direction given by the Council to increase more than 2% as the City is exercising a cautious measured approach at this time.

Member Eustice asked that the Chair speak on behalf of the group at the September 28 meeting and encouraged all that can, to show support for the City and continue with the measured approach.

Member Sullivan asked if there was any way for Santa Clara to consider exemptions for 30-day contractors such as crew who stays at hotels beyond 30 days in the year. Kenn indicated that it was not part of the ballot and this type of change would have to be a ballot change as it is part of the City charter. Kenn will take the feedback back as it is the first time he has heard this comment. Chair Hodges stated the hotels can help to provide some tertiary data.

3. Introduction of Lotus Marketing Team and Update on the Discover Santa Clara's Destination Branding Process.

Chair Hodges introduced Kenny Chouinard with Lotus Marketing.

Kenny Chouinard stated he is the main point of contact for the Lotus Marketing team and is working with Discover Santa Clara on developing messages focused on the P1 and P2 market. Lotus is currently in the discovery phase and will be reaching out to each of the general managers for a 30-minute meeting to get more information on hotel viewpoints. Lotus will be in the area in October and may tour the hotels.

Dan Fenton reiterated that Lotus will be focused on branding as it relates to the group meeting planner.

4. Review of Discover Santa Clara's Monthly Progress Report for August 2021.

Dan Fenton provided the monthly update:

- The team continues to add prospects to P1, P2, P3, P4 and P5
- The annual goal is to get prospects up to 350
- The conversion rate is about 10%
- There were 19 new definites, primarily P3 to P5.

General Updates

Adjournment

The meeting adjourned at 8:45 a.m. The next regular scheduled meeting is on October 21, 2021 at 8:00 a.m.