



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS MEETING

Sunset Center - Chapman Room

San Carlos and 9th

Carmel-by-the-Sea, CA 93921

Thursday, May 4, 2017

2:30 PM

MINUTES

Board Members Present: Amy Johnson, Berit Keeble, Amrish Patel, Pamela Sheppard, Monta Potter, Mark Watson

Board Members Absent: Rich Pepe, Christine Sandin, Mary Crowe

Also in Attendance: Amy Herzog CHID Exec Director; Jeff Burghardt and Nicole Dore from Burghardt + Dore; Kristen Hunter from Hunter PR; April Locke and Alliah Sheeta from MCCVB; Carrie Theis, Carmel City Council and Vice Mayor; Ken Spilfogel of Flaherty's Restaurant; Jennifer Fahselt Communication Director for the MP Airport.

MEETING CALLED TO ORDER: Amy Johnson, Chairman, called the meeting to order at 2:35 PM

Public Comment: None

Approval of Minutes: ***Amrish Patel made a motion to approve the minutes from April 6, 2017. Monta Potter seconded the motion. Minutes approved.***

Monterey Airport Public/Private Grant: Jennifer Fahselt presented the Airport's progress on procuring a grant from the US DOT Small Community Air Service Development Program (SCASDP). The application, which must be submitted by mid June, 2017, would secure a grant of \$500,000 - \$750,000 from the federal government which would be used to introduce a non-stop flight from Dallas, TX to Monterey on American Airlines. Market research has shown that Dallas is ranked #7 in top market spending in CBTS. A direct flight also opens up the East coast and even international markets. As part of the application process a public/private partnership between Airport and Community partners is required with Community Partners pledging a minimum of 20% of the total grant request. The pledged funds are a commitment to participate in the future ***if*** the airport is successful in securing the grant ***and*** the direct

flight from Dallas. The pledged funds are to be used only after all of the initial grant money has been spent to support this new non-stop flight. These funds remain pledged for a total of three years from the date the service begins and if any portion goes unused they will be returned at the end of the 3 year commitment.

Jeff Burghardt inquired about promotional opportunities. Jennifer said the airport is very receptive to in-kind marketing opportunities and would welcome that support from Visit Carmel. The board asked who else had already committed funds and who else they were going to ask. The airport is presenting to Monterey city council, Pebble Beach, the Agriculture industry, DLI and NPS. The board also suggested the Monterey County Realtors Assn. According to Jennifer, the City of Monterey has made a commitment to be a contributing community partner but has not mentioned a specific dollar amount. Mark Watson and Amy Herzog both made comments that they feel this type of support is directly in line with our mission statement of increasing overnight stays in Carmel. Mark Watson proposed a \$10,000 commitment. Carrie Theis pointed out that the commitment spans a 3 year period and funds wouldn't be required until 2018 at the earliest. Thus, we could incorporate those funds into the 2018 budget and beyond. ***Pam Sheppard motion to approve a pledge of \$10,000 commitment along with in-kind marketing support by Burghardt/Dore to the SCASDP Community Partners in support of the Grant. Mark Watson seconded. Monta Potter abstained. Motion was approved by all other members present.***

Restaurant BID: Ken Spilfogel from Flaherty's Restaurant provided the update due to Rich Pepe's absence. At the last monthly restaurant meeting, Jeff Burghardt gave a presentation on the benefits of having the restaurants form a BID and the potential marketing opportunities that would provide. According to Ken, restaurants produce about \$60 million in revenue annually. Discussions of assessing a ¼ of 1% tax on all earned restaurant revenue would be used toward city-wide efforts to promote restaurants both domestically and internationally. According to Ken, that would amount to approximately .10-.15 cents per person. Still more research to be done.

MCCVB Update: April Locke reported that the May 1, 2017 meeting at City Hall in CBTS to discuss the current marketing efforts by all vested partners went well. She said the MCCVB would continue to work on their coordination of the top three marketing areas SF, Oakland, San Jose. She followed up on the discussion to host the SATW and TBEX conferences stating that they ultimately declined to host them due to the prohibitive amount of concessions required by the two groups. April also said they will follow up on Mayor Dallas' request for more clarification on communication issues between the MCCVB and the City. Carrie Theis expressed a desire to have the MCCVB create some kind of "thank you" and links to coverage to send to those entities that provided donated services for FAM participants. April expressed that something like that does exist but may need to be reviewed as to how it is disseminated by the MCCVB.

April also reported on the status of tourism in Big Sur. The MCCVB board approved a \$100K allocation to promote Big Sur. Those funds were procured from savings in other areas of the existing budget. Currently, their focus is on the North side of Big Sur due to the delays in reopening the route from the South. The marketing dollars are being spent in the form of Eblasts and Home Page Banners. There is some discussion of working with SLO Tourism board to do some co-op advertising once the southern access is reopened.

Lastly, the new sustainable tourism “travel fails” videos will be unveiled in the next week. April also alerted us that as part of their efforts to refresh their brand on their website they will be in Carmel next week taking publicity photos.

Public Relations and Social Media: Kristen Hunter reviewed her presentation of April highlights, including an update on the social media generated by the latest FAM trip the prior week, press releases distributed, responses to numerous media requests, and social media activity analysis. Media coverage included a beautiful feature in *Victoria* magazine and a pick up of the “Art is Alive” release in *Luxury Travel* magazine, which included the Art Festival.

She reported on May plans for the next FAM trip May 21-24, including the important topic of “online influencers.” At the next Board meeting Hunter PR will be giving the Board a more in-depth presentation of their proposed Plan of Action with regard to Influencers.

Marketing and Advertising: Jeff Burghardt reported on marketing and advertising efforts conducted for Visit Carmel (recent and future planned) on his firm’s behalf, including:

- Jeff played back an “organic” ad put out by Geico Insurance that highlights CBTS, playing on radio stations first heard by Amy Johnson.
- Jeff reported that due to the overwhelming success of the new fitness guide a 15K reprint was just finished. They are still keeping the reprints to smaller batches for updates/revisions.
  - Fall/Winter Retreats with Jeff Galloway have been added to the site. The list of preferred hotels has been carried over from the spring retreat until a push can be made for new special offers by the Inns. These retreats are limited to 30 participants at a time.
- Mindfulness Retreat Update: Jeff is sticking with the theme: “Unplug, Recharge and Discover Mindfulness.” He has been researching and reaching out to experts in the field of Mindfulness in an effort to find a co-author with notable credentials.
  - Debra Delarosa is a noted member of the “mindfulness” community and has been assisting Jeff in helping to connect with the appropriate people.
  - Most notably Jeff has been introduced to Rich Fernandez creator of the program “Search Inside Yourself” a mindfulness program he started for the employees of Google. Rich left Google to start up his own Mindfulness business called “Wisdom Labs” during which time he committed to working with Jeff to create exclusive Retreats in CBTS. Rich Fernandez has since been rehired as the CEO of Google’s “Search Inside Yourself,” but will honor his commitment to the exclusive retreats.
  - The first retreat is scheduled for November 15, 16 & 17, with additional retreats scheduled for January and March. These will be small retreats of approximately 30 participants at a time. A Mindfulness brochure (much like the Fitness brochure) is in the developing stages. The long-term goal is to evolve these retreats into a Festival type event.

Visit Carmel Executive Director Report: Amy Herzog reported that the public workshop held at City Hall on May 1<sup>st</sup> was very positive overall. The participants all agreed to continue to work collaboratively.

Amy cited the Winemaker's Celebration as a specific event that serves as a good example of cross promotion. Event organizers provided direct links to Carmel hotel bookings on its website and in e-blasts and offered guests of Carmel Inns a 20% discount off the ticket price with a promotional code. Promotional cards were distributed at the meeting to remind guests of the event.

Amy informed the Board that a newly designed "Press Request Form" would now be available on the Visit Carmel website as a "Travel Writer" link. This form was designed to provide consistency in vetting potential travel writers for requests to participate in FAM trips to Carmel. All completed forms will be turned over to Kristen of Hunter PR for review.

Amy Herzog and Berit Keeble attended the Northern Concierge Association trade show in SF on behalf of Visit Carmel and in collaboration with the Carmel Innkeepers Association. Amy Herzog also attended the CCTC retreat whose main focus was to discuss ways to make the Central Coast an equal player with the "Big 3" (meaning SF, LA, and San Diego) in the bid for tourists who visit the coast of California.

Financial Report: Mark Watson went over the most current operating statement and balance sheet. Mark also presented an analysis of revenue against comp sets which indicates that if we are not actively promoting the destination we lose ~\$250,000 in room revenue to other destinations per bi-monthly period; which would be a loss of \$1.5M in room revenue per year, if we did not have the CHID. He noted that it is a limited data set and as we gather more data, it may be possible to more accurately estimate our ROI vs that of competing destinations.

Additions to the Agenda: For next meeting, Amy Johnson mentioned that the board will discuss CIVITAS' recommendations for how stakeholders might be reimbursed for comps provided for FAM participants at a little more than cost.

Meeting Adjourned at 4:35 PM