



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, September 7, 2017

2:30 PM

MINUTES

Board Members Present: Amy Johnson, Amrish Patel, Pamela Sheppard, Mary Crowe (phone-in), Mark Watson, Rich Pepe

Board Members Absent: Christine Sandin, Berit Keeble

Also in Attendance: Amy Herzog CHID Exec Director; Kristen Hunter from Hunter PR; Allyson Ryan & April Locke from MCCVB; Carrie Theis, Carmel City Council and Vice Mayor; Maxine Gullo, City of Carmel-by-the-Sea; Chip Rerig, City Administrator for Carmel; Bobby Richards, Carmel City Council; Angel Gonzalez, CSUMB Hospitality Program; Valerie Schad, Carmel Int'l Film Festival; Michele Wilkinson, Carmel Art Festival/ Resident; Hella Rothwell, Carmel Art Festival; Miranda Nattras, Coachman's Inn; Sandra Book, Carmel Visitors Center; Jo Todd, Rice Packing/Film Festival; Tony Salameh, Anton & Michel Restaurant; Kevin Krueger, Plumpjack Group; Steve Dallas, Mayor of Carmel-by-the-Sea; Jenny MacMurdo, Carmel Chamber; Jeff Burghardt and Nicole Dore, Burghardt+Dore Advertising

MEETING CALLED TO ORDER: Amy Johnson, Chairman, called the meeting to order at 2:37 PM

Public Comment: Chip Rerig asked to keep City Attorney's wife in our thoughts as she is in CHOMP with a serious illness.

Approval of Minutes: ***Rich Pepe made a motion to approve the minutes from July 6, 2017. Mark Watson seconded the motion. Minutes approved.***

Marketing and Advertising Report: Jeff Burghardt discussed trends for the new Brand image that was launched in August. The new Brand image is focused on Mindfulness and Fitness trends. Visit Carmel-by-the-Sea with the tagline "Pure Inspiration" is in the process of being trademarked. The process takes about 8 months. Jeff reviewed the recent photo shoot capturing the new brand image showing examples of print, digital and video ads and their placement in publications like "Runners World" next to the Table

of Contents for the Fitness approach and in “Mindful” Magazine also next to the Table of Contents focusing on the upcoming CBTS exclusive mindfulness retreats.

Taking the MCCVB’s lead, Jeff announced Visit Carmel is now using “Adara”, the newest digital paid medium, making a full media push for both types of retreats including spots on The Today Show, coverage on the LA Stations (KTLA) with exclusive sweepstakes offer utilizing the Carmel Film Festival to target the LA drive market. Jeff showed the Board three separate commercials (15sec, 30sec & 60sec spots) that will be airing to promote the area. The newest videos promoting the new image were also shown to the board. All rights to the videos have been negotiated for complete usage including a “buyout” with no restrictions.

Visit Carmel’s website promoting new Brand image and focus’ was launched 1st week of September. New website is cleaner, more responsive, more user friendly for mobile devices with more visible micro sites. The photo gallery has also been updated and the layout redesigned to mirror more of a Pinterest-style approach.

Update on the Mindfulness focus: Anderson Cooper and Jewel will be speaking at the “Mindfulness American” conference in NYC this month with Rich Fernandez which will hopefully translate to more interest in the CBTS retreats. Visit Carmel will be debuting our new “Mindfulness” Brochure the 2nd week in September and will be distributed to all the Inns to go along with the “Run, Hikes, Walks” brochure already on display. Outreach for the brochure and the upcoming retreats will include: digital ads, eblast newsletter, 200 wellness influencers via Hunter PR and 250 affiliates in the mindfulness industry including Rich Fernandez’ “Search Inside Yourself” and “Wisdom Labs” audience. The first scheduled retreats will have 30 spots available per retreat.

Executive Director’s Report: Amy Herzog gave the following updates to the Board.

- Three Visit Carmel Board seats will be available come this November. The bylaws state that the Board must consist of 9 members comprised of 6 Innkeepers, 3 At Large. The desire is to create a stagger pattern of incoming and outgoing Board Members. A nominating committee was formed consisting of Mark Watson, Chair; Amy Herzog and Amrish Patel.
- New press kit trends involve story starts, facts, marketing trends and history. Amy showed the Board a sample press kit that includes a logo’d flash drive w/ wine walk pass as possibility.
- Amy Herzog and Amy Johnson will attend the Destination Marketing Association (DMA) educational summit at the end of the month.
- Amy attended the monthly MP airport meeting. The grant is still in progress. They were able to get \$185K in private funding pledged and only needed \$120K. Also discussed was the possibility of creating packages with Allegiant Airlines.
- Bonotel Workshop was sparsely attended. Follow up is slow.

Public Relations Report: Kirstin Hunter present a power point presentation highlighting the July/August social media posts.

- Instagram Contest scheduled to end September 12.
- November 8th FAM trip
- Dogs, Beaches and Clint Eastwood top posting subject matter
- @Allysoninwonderland top producing influencer for CBTS in July/August-organic influence.

Carmel Chamber of Commerce: Jenny MacMurdo, just 2 months on the job, gave a chamber update.

- 3000 people came through the door between July and August. 54 rooms booked– 129% increase over previous year, 34% more walk-ins on Labor Day and 85% increase in room nights booked over Labor Day from previous year. “Room Nights Booked” is quantified when Chamber assists and acquires a room for a guest that comes into the Visitors Center.
- Exploring options: a self-service kiosk at Visitor Center, putting Visit Carmel videos on plasma screens at Visitor Center and target training for staff to increase room night sales.
- Reminder: Taste of Carmel on October 5 at Carmel Mission.
- October Workshop “How to Green Your Kitchen”

MCCVB Update: April Locke reported:

- that a recap of the Annual Luncheon could be found on their website.
- Member Co-op Digital and Social Ad opportunities are available and sign-up can be found on their website.
- There will be no printed Visitors Guide in 2018
- There has been a restructuring of Job Descriptions at the MCCVB and April will now be handling PR for the MCCVB.
- Cal Trans update on Pfeiffer Canyon Bridge -- next week they will release firm date for grand re-opening. Need to manage expectations for the opening. Hopefully, once the bridge is opened Cal Trans will have a date for the re-opening of Hwy 1 at the Mud Creek slide.
- MCCVB has launched their new “Fall Speed Ahead” campaign with the tag line “Enrichment, Enlightenment, Invigoration.” They have also launched an interactive quiz to boost engagement centered around one’s travel personality.
- MCCVB is refreshing their Brand videos with a shoot at the end of October. These promotions will be to encourage advanced bookings focusing on “Advanced Means Savings.”
- On the PR side- 11 members of the media will attend a FAM this month that will include the Carmel area. Example of visiting FAM include Samatha Brown and Susan Barnes.
- No date set for the reopening of the Monterey Conference Center. A meeting will be held September 13 to discuss the topic.
- Burghardt + Dore are scheduled to meet with April to discuss cooperative efforts to promote the two areas and their individual campaigns. John Lloyd, Steve Dallas and Amrish Patel all sit on the MCCVB Board increasing Carmel’s representation on the topic.

Financial Report: Mark Watson went over the most current operating statement and balance sheet. Mark shared a report showing current Rev Par is up for the month while revenue is slightly down. However, 2017 is still ahead in revenue YTD. The marketing budget is now caught up and on target. YTD we have spent \$352K vs a budget of \$342K the excess expenditure coming from carry over funds from 2016 surplus. PR budget is currently \$13K less than projected but the upcoming FAM and influencers in November will take care of that. We are projected to end the year with \$100K in the bank. Our cash flow is better than anticipated.

A report on Carmel’s market share indicates that in 2016 we did not have a marketing budget that was competitive with other drive markets so we were below our competitors. We have steadily increased our marketing budget especially in the fall and we are seeing higher market share in relationship to our competitors. This has been a consistent trend since May 2016. Mark commented that while we are not as busy as we were in 1995 we are showing a higher ADR.

2018 Projected Budget vs 2017 Budget for Visit Carmel

	<u>2018</u>	<u>2017</u>
Projected Assessed amounts	\$625K	\$607K
Roll over from previous year	\$50K	\$255K

Percentages of expenses breakdown as follows:

PR, Marketing, Sales	71%	79%
Admin	17%	12%
Planned Surplus	11%	8%
Collection by City	1%	1%

Mark stated that currently there are 925 hotel rooms assessed at 1%, which puts us in the 30th percentile compared to our competition.

Additions to the Agenda: Chip Rerig reported on the continued efforts to form a Restaurant Improvement District. A meeting was held to discuss the addition of a .5% assessment on restaurant bills projecting that assessment would bring in approximately \$200K in revenue annually; approximately 15 restaurants were in attendance. The next step is to get a consensus from the larger restaurants and to talk to Nichole at CIVITAS about the process required to form an RHID. With the addition of the restaurant assessment Visit Carmel could potentially be looking at a million-dollar annual budget.

Update on 2019 US Open: a discussion is in the works with the PB Company regarding shuttle transportation, logistics and rates.

Also, noted: Hideaway and Village Inn under new ownership as reported by Kevin Krueger.

General Meeting Adjourned at 4:22 PM

Closed Session: Contract Discussion

Closed Session Adjourned at 5:20pm