



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS MEETING

Sunset Center – Babcock Room

San Carlos and 9th

Carmel-by-the-Sea, CA 93921

Thursday, April 5, 2018

2:30 PM

MINUTES

Board Members Present: Amy Johnson, Pamela Sheppard, Mary Crowe, Mark Watson, Rich Pepe, Jenny MacMurdo, Amrish Patel

Board Members Absent: Christine Sandin, Kevin Krueger

Also in Attendance: Amy Herzog, Visit Carmel Exec Director; Ashley Brune and Steven Smith, The Abbi Agency (via Phone); Jeniffer Kocher from MCCVB; Nichole Farley, CIVITAS; Bobby Richards, Carmel City Council and Lamplighter Inn; Carrie Theis, City Council and Hofsas House; Chip Rerig, City Administrator for Carmel; Hella Rothwell, Carmel Art Festival; Joaquin Turner, Carmel Art Walk; Jeff Burghardt, Burghardt + Dore Advertising; Liz Bolar, Holman Ranch; Ken Spilfogel, Flaherty's and Village Corner; Berit Keeble, Carmel Innkeepers Assoc. and Tradewinds Carmel; Kim Stemler, Monterey County Vintners; Martha Torres, Carmel Plaza; Gina Delli-Gatti, Sunset Center.

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

Public Comment: Joaquin Turner reported that the Carmel Art Walk, which happens the 2nd Saturday of every month from 5-8pm, is seeing varying attendance. The concentration of galleries on Dolores St presents a challenge to get participants to do the entire walk. The Art Walk consortium with Visit Carmel is discussing possible incentives such as partnering with Carmel tasting rooms to get visitors to participate more comprehensively. Jeff Burghardt mentioned a possible art and wine event in the fall. Joaquin was asked what was the desired number of participants for the Art Walk which is between 30-50 people.

Kim Stemler is looking for Carmel accommodations to partner with the MCVGA for a complimentary 2-night stay for the Event on May 4 & 5, 2018. The lodging partner will receive recognition on all promotional material and media spots associated with the Winemaker's Celebration.

Hella Rothwell brought posters for the upcoming Carmel Art Festival which are ready for distribution. The Art Festival Packages that appear on the Visit Carmel website are now linked to the Festival's website as are all Art Galleries, Carmel Art Walk and Map.

Approval of Minutes: ***Pam Sheppard made a motion to approve the minutes from March 1, 2018. Mary Crowe seconded the motion. Minutes approved.***

Visit Carmel Officer Appointments: The present annual terms for President, Secretary and Treasurer have expired. The Board was asked for nominations to fill the available seats. Pam Sheppard volunteered for the position of Secretary. ***Mary Crowe made a motion to approve the nomination and Jenny MacMurdo seconded the motion. Appointment approved.*** A request to retain Amy Johnson and Mark Watson as President and Treasurer, respectively, for another year was proposed. ***Amrish Patel made a motion to approve the continuation of their positions for another year, Mary Crowe seconded the motion. Appointments approved.***

Carmel Restaurant Improvement District: The restaurants, under the direction of Nicole from CIVITAS, continue to work through the formal plan for creating the CRID. CIVITAS hosted a workshop at City Council in February with Carmel restaurateurs, had a separate meeting with some restaurateurs in March, and has been in touch directly with 34 of the 52 Carmel Restaurants (along with help from Amy Herzog and Ken Spilfogel). So far, CIVITAS has a verbal commitment from 27 of the participating restaurants. Highlights of the proposed RHID include:

- A proposed assessment would generate about \$200K based on current sales figures provided by the City at a .25% rate. The assessment would be imposed solely on "Full Service restaurants within the boundaries of CBTS."
- The initial assessment term would be for 5 years with a built-in formula to increase the amount of the assessment up to .50% if the committee wishes to do so.
- The assessment would be managed by an appointed committee (Owner's Association) that is comprised of a minimum of (3) assessed restaurant owners. This committee would manage the funds and programs specifically targeting restaurant marketing and sales and would report to the Visit Carmel Board on those initiatives. Visit Carmel Board would then vote on whether to adopt those initiatives as part of its overall marketing strategy.

The Board then discussed with CIVITAS the changes it would need to make to its current structure to incorporate the CRID funds into its budget. Considering the current contribution of the Carmel Innkeepers' assessment which is approximately \$600K; it would make the "buy in" for a seat on the Board approximately \$100K, giving the RHID (2) representatives on the Visit Carmel Board under the new Board structure, and a representative from the City would get (1) seat for its \$120,000 annual contribution. The Board expressed its concern for maintaining a cohesive and comprehensive marketing plan with the addition of the Owner's Association committee that would have sole authority over the distribution of the CRID assessed funds. It is the Board's position that the addition of the CRID must enhance the mission of the Visit Carmel Board and is counting on the efforts of Jeff Burghardt and Amy Herzog, among others, to aid in this endeavor. The Board will be asked to vote on whether to adopt the "Ownership" of the CRID Association at the next meeting so that changes to the bylaws can be put forth to CIVITAS.

The revised bylaws would be reviewed over the summer and adopted in September if this proceeds.

Upcoming Board Meetings: Board President, Amy Johnson, requested the May board meeting be moved to May 10 (instead of May 3) to coincide with the workshop scheduled for May 9. She also requested to cancel the July 2018 Board meeting as it coincides with the Independence Day holiday which the Board unanimously agreed to.

Amy then asked Nichole from CIVITAS to clarify what items specifically needed to be reported on at the meetings and the viability of consolidating the Visit Carmel Board meetings to meet quarterly as opposed to monthly (as is the current schedule). Nichole stated that every Board meeting must include: approval of the Minutes from the previous meeting, time for Public Comment, the Financial Report must be discussed at least quarterly, and anything that is “actionable” must be discussed so that contracts can be fulfilled. As an organization, the Board can decide on the frequency of anything else that is proposed or placed on the agenda. Nichole went on to say that if the Board decided to go to quarterly Board meetings, committees appointed by the Board could meet more frequently but must consist of a minimum of (2) Board members up to the entire Board if desired. The Board had a general discussion about possible changes to the current scheduled Board meetings and it was decided that monthly board meetings would continue but focus as much as possible on marketing and some items (TBD) on the agenda would be discussed quarterly rather than monthly to maximize efficiency.

Executive Director’s Report: Amy Herzog reported:

- The Carmel Wine Walk is still in flux. Visit Carmel is currently working individually with some of the tasting rooms to provide passes for marketing purposes. So far, four (4) tasting rooms are on board.
- Allegiant Airlines has decided not to add the Mesa, AZ flight as reported at the last meeting.
- Nichole from CIVITAS went with Amy and visited 18 restaurants to discuss the proposed CRID, hoping to do some relationship building and to confirm their vote. They spoke to 11 owners with the help of Ken Spilfogel who acted as their ambassador. Amy felt it was very productive.
- Carmel Honey Co will be providing a new promotional item for Visit Carmel marketing efforts.
- The Annual Report is on track to be ready for the April 15 deadline.
- Communication with Stakeholders in March included the availability for more Art Festival Packages and promoting the upcoming Winemakers Celebration and Carmel Art Festival. Currently there are 96 stakeholders on the distribution list.
- Amy assisted in placing 18 rooms on Aug 8 for the CA Firefighter group.
- Arranging a May 9 Stakeholder Workshop focusing on best practices, website and the special offers, posting packages and travel writer relationships
- MCCVB restructured and has formed a TID oversight committee which determines how all TID funds will be spent. It is now controlled 100% by lodging representatives. John Lloyd, Pine Inn, will represent CBTS on that committee. This committee meets monthly and controls 65% of the current MCCVB budget so it is very important that the representative for CBTS speak up on behalf of CBTS and should attend the monthly Visit Carmel Board meetings.
- The CCTC is working with Belinda Jones, a dog influencer from England. She will be visiting Carmel in June to promote her book, Bodie on the Road.

- VisitCA will highlight Carmel for its recent Green Ban on plastic straws and utensils and Sunset Center will receive recognition as a Top Music Venue.

Marketing and Advertising Report: Jeff Burghardt reported:

- The 1st Quarter Media and Marketing Campaign mix provided 7.8 million impressions, 169 paid spots, 84 bonus spots which equated to \$16,800 in bonus value to the marketing plan. The online media produced 1.8 million impressions, 26,121 clicks with a 1.78% CTR. The various print media provided a circulation of 1.5 million with the Sweepstakes entries which added 3,209 opt in emails.
- The Eblast has over 50K on its mailing list with an 18% open rate and a 14% CTR
- Visit Carmel provided a Carmel Giveaway on KTVU "Freebie Friday" which will air 5 live promos during the News translating to \$6K of Bonus value exposure.
- In March, Visit Carmel ran a paid ad in *Sunset* magazine as part of its planned marketing campaign but was given a full-page ad in their April National edition gratis. This equated to \$150K bonus advertising with a paid circulation of 1.25 million reaching 5 million readers.
- Paid ads on FB experiencing lots of engagement. The CTR on NBC Bay Area pre-rolls are very good, better than online including those on Trip Advisor and Adara.
- The final scheduled Fitness Retreat in April saw its highest attendance (15). The 1st QTR saw 11,226 visitors come to the Fitness Retreat page.
- Jan/Feb 2018 saw double digit growth to the website with a 13.23% increase for the 1st QTR. 23.27% web traffic increase in just the first 4 days in April. "Book Direct" is up 25% for the 1st QTR over last year with San Jose being the biggest growing area (56.25%) for website traffic over last year.
- Fall Campaign includes the In-Flight TV campaign (90 second brand spot) which is now complete and ready for the Sept/Oct 2018 promotion.
- 2019 ideas for thought - a wine focus with possible paid spots in the February issue of *Wine Enthusiast* and their Annual Issue both scheduled for a January release. Or, KRON Bay Area Backroads is back and Visit Carmel is looking at some possible 1-2 minute vignette promotions.

Public Relations Report: Ashley Brune and Steven Smith presented a joint update on the PR efforts for Visit Carmel via conference call.

- Focused last month on capturing the "spontaneous traveler."
- Looking at long lead calendars to pair our message with other key promotions like dog-friendly and Carmel Beach which are not part of our main marketing pillars.
- The PR team showed a breakdown of media mentions by topic, including inns, art, fitness, mindfulness. Amy H. suggested adding food/culinary as a line item to begin a baseline in preparation for the addition of the CRID marketing funds.
- Upcoming FAM trips include 5 influencers from the Bay Area and will focus on dog-friendly and couples' getaways.
- Earned media partnerships, mostly digital, will focus on the upcoming Winemakers Celebration.
- Ashley will attend the media boot camp via Visit California in LA at the end of the month and pair it with Media Desksides (1 on 1 in person meetings) will focus on brainstorming about the area and ways to promote Carmel.
- Social Media efforts: Facebook is performing best for impressions (782K impressions) but Instagram has better engagement. Our Bay Area audience is growing on Social Media. January YTD was seeing a decline in FB engagement but that is starting to turn around with a 58%

increase over the previous month. Overall, social engagement increased 64% over the previous month. The #DearCarmel campaign is considered “Ever-Green”(on going).

MCCVB Update: Jeniffer Kocher gave a brief report:

- 28K people reached in top social posts
- They have begun a vetting matrix for paid influencers including number of followers, number of engagements and holding them to a series of contractual obligations.
- They are also working on building their Ever-Green (timeless) Blog Content for their library.
- Efforts to amplify our Gourmetfest event was done through MCCVB social channels. Other Media coverage included a feature on Chef Todd (7th & Dolores) in *Town and Country*.

CBTS Chamber of Commerce: reported by Amy Herzog on behalf of Jenny MacMurdo

- Visitor Center saw 2200 walk-ins, received 357 phone calls and reported 315 room nights secured.
- May 1, 2018, they will launch the Chambers’ new website.

Financial Report: Mark Watson reported we currently have \$21,400 cash in the bank. We are currently under budget by \$25K. That number was aided by the \$7K we picked up in revenue by using the actual 2017 revenue collected rather than the projected revenue in the proposed 2017 budget. The 2018 budget is on track.

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Additions to the Agenda: Chip Rerig talked about the challenges facing the Hospitality workers in our area. That demographic is aging and there are not a lot of young people coming in. With a 1000 new hotel rooms slated for the Peninsula, Chip thought it was pertinent to discuss ways to entice the recruitment of workers to our area.

General Meeting Adjourned at 5:20 PM