



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS MEETING

La Playa Hotel

Camino Real and 8th

Carmel-by-the-Sea, CA 93921

Thursday, May 2, 2019

2:30 PM

MINUTES

Board Members Present: Jenny MacMurdo; Pamela Sheppard, Rich Pepe, Ken Spilfogel, Mark Watson, Mary Crowe, Kevin Krueger, Chip Rerig

Board Members Absent: Amrish Patel

Also in Attendance: Amy Herzog, Visit Carmel Exec Director; Ashley Brune and Steven Smith (via Phone), Abbi Agency; Jeff Burghardt, Nicole Dore and Alexis Favis, Madden Media; Bobby Richards, Lamplighter, Forest Lodge and Carmel City Council; Carrie Theis, Hofsas House and Carmel City Council; Berit Keebler, Tradewinds Carmel; Gina Delli-Gatti, Sunset Center; Barak Laub, Carmel Fun; Anthony Carnazzo, Stationaery; Marissa Reader, MCCVB; Martin Watson, Mad Dogs; Tony Salameh, Anton & Michel; Sarah Smith, Flaherty's and Village Corner.

MEETING CALLED TO ORDER: Rich Pepe called the meeting to order at 2:38 PM

Public Comments: Gina Delli-Gatti announced the return of the Free Locals Concert series every Friday in May and June. The first concert is this Friday, May 3 at 12:30pm at Sunset Center's outdoor patio. Ken Spilfogel expressed a big thank you to all the hotels that provided gift certificates for the Youth Center fundraiser this past weekend. He told the Board he had 100% participation from the hotels asked to participate. Anthony Carnazzo, Stationeary, is hosting a Chamber Mixer on May 22 from 5-7pm highlighting the Artisan's Alley Way, a courtyard that showcases owner-operated artisan enterprises.

Approval of Minutes: ***Jenny MacMurdo made a motion to approve the minutes from April 4, 2019. Kevin Krueger seconded the motion. Minutes approved.***

Approval of Closed Minutes: Madden Media will be given a month to month contract until the end of the calendar year. The contract will be effective beginning April 1, 2019 for 9 months, cancellable within 10 days of written notice. A local attorney was hired by VC to review the contract prior to presenting it to Madden Media for signing. Chip Rerig assured everyone that the present contract meets all the City

criteria. Jeff will sign the new contract at the end of today's meeting and simultaneously void the old contract. **Pam Sheppard made a motion to accept the new Madden Media contract subsequently voiding the existing contract with Burghardt + Dore, Ken Spilfogel seconded the motion. Motion passes unanimously.**

Chip Rerig made a motion to accept the proposed contract renewal for the VC Executive Director, Amy Herzog; Mark Watson seconded the motion. Motion passes unanimously.

Carmel Restaurant Improvement District Update: Anthony Carnazzo reported that the first "big initiative" for the CRID has been completed. Jeff Burghardt undertook photographing all CBTS restaurant stakeholders (only 5 restaurants refused access to the photographer but exterior shots were taken). David Martinez, based out of SF, was the photographer on the project. He worked with VC on the cost of the project. Next task will be to interview all CBTS restaurant stakeholders to showcase their unique personalities. Abbi Agency is planning to use the material to roll out a PR and Social Media campaign. The CRID hopes the timing of this project will make the restaurant stakeholders feel more vested in the marketing efforts of VC. The CRID committee has their next meeting on Tuesday, May 7 at 2pm at 7th and D. Chip Rerig will get the first tax submission information for the CRID to Amy Herzog so she can track how much is being collected and who has yet to send in their first installment.

Executive Directors Report: Amy Herzog reported that the Secretary of State: Statement of Information has been completed and filed. A copy can be found in the Board packet. Insurance policies for VC renew on May 15, 2019; a summary will be coming. Professional Liability will be held by the individual contractors not VC. The corporate tax return for VC is also due May 15, 2019.

- The Monterey Visitors Center is requesting printed marketing material (ie maps and brochures). Amy informed the Board that we currently do not provide printed material to Monterey's Visitor Center. Does the Board want to provide printed or digital material? The Board feels brochures should be made available as it is a "Book Direct" avenue and should be utilized.
- Tear Pad maps need to be reprinted ASAP – this is the #1 tool for Inns.
- Annual VC Report has been issued and a link to view the report is available on the VC website. Highlights include: CIVITAS recommends VC make a distinction wherever possible between the CHID, CRID and City Funds. The report notes a 9% increase in TOT over the past 3 years, 2% occupancy increase and a 7% increase in ADR. All City funds are used for marketing purposes only. Rich Pepe pointed out the CBTS is currently 14th in HID spending for the State. Per room we are in the lower 20%.
- Fox Sports currently has crews in the area gathering segments that will be aired during the US Open. The Mayor was interviewed for one of these segments on "Fun Facts". VC worked to redirect the essence from "quirky" Carmel to "unique" Carmel.
- MCCVB will be bringing SF Travel and Chinese journalists to CBTS. They also will be hosting two magazines and an influencer that will be focusing on promoting the Dallas flight. June 9 is the premiere of Season 2 of Big, Little Lies. NYC is having a big event to promote the new season. MCCVB has been invited to host a table in the Cooper Molera Courtyard for the IPW Fam Tour Event. MCCVB also plans to capitalize on the Big, Little Lies media push focusing on our "natural assets".
- The VC ad is running on the new CCTC map of the Central Coast out in June. CCTC goal is to create a unified brand with an East Coast focus, hoping to entice the quality visitor over quantity visitor; highlighting CA Road Trips and working on positioning CA culinary with their new "Taste Blazer" campaign.

No meeting in July. June 6, 2019 VC Board Meeting will be held at the meeting room at the Hofsas House at 2:30pm. The November 7 Annual VC meeting place is TBD.

Public Relations and Social Media: Ashley Brune and Steven reported via telephone conference call:

- 4 Media placements in April had the combined potential readership of over 8M.
- April 2018 saw only one earned media placement versus 4 in 2019
- CarmelCalifornia.com has an SEO score of 59 with a combined score of 72. Our DRA when the Abbi Agency first came on board in January 2018 was around 53. VC has slowly risen and now is between 60-70 and “seeing green”. According to Ashley, a DRA in the high 60’s is great.
- Multiple media placements including one on “Coastal Weddings” that specifically mentions CBTS was posted by Visit CA and boosted by the Abbi Agency. The Brazilian Marie Claire article that partnered with Visit CA comes out this month. Upcoming Media Placements include AFAR and Marie Claire. Two influencers are coming in May that will focus on the RID. Also, two media outlets from Dallas are coming in May to boost the direct Dallas flight.
- Total social media followers increased by 1.9% and overall engagement up 1.5%, which is higher than our competitor set.
- Steven noted that at the latest FB conference new changes to the platform are going to see a drop in the reach of the business pages. Abbi Agency plans to combat this change by effectively stopping the focus on news feed and shift the focus to groups and events.
- Instagram Winemaker’s Celebration giveaway saw a 38% increase in engagement and 9.1% increase in followers.
- US Open SM plan includes boosting the budget targeting ads promoting Inns and Hotels May 14-June 16, IG Highlight Reels showcasing “Things to do” and Itinerary options June 3-7, Ads targeting Itineraries page June 6-16 and Social Media posts targeting travelers to extend their stay June 13-16.

Marketing and Advertising: Jeff Burghardt reviewed the YOY from January – April. Web Traffic is just slightly down about .5 % but new Users is up about .5%.

- Jeff and Nicole continue to work on building content for the “Top Things to Do” and “Itineraries” Web Content. Additions include: Made in Carmel and Love Carmel Like a Local. They are also repurposing content for the US Open Web page on the VC site and using geofencing digital ads (only using zip code for PB and CBTS) to drive people to shop and dine in Carmel during the US Open.
- Madden is working on utilizing the newest photography from the RID photoshoot to prepare a series of carousel ads titled “Pack Your Appetite” for Fall. Madden has plans to promote food tourism immediately with a 70/30 split for local vs destination marketing budget.
- Alexis introduced the Board to the Madden Voyage Dashboard which will highlight a monthly export of information. It will cover SEM, Display Advertising, Paid SM Advertising and Organic SM. This will include information on the LDMO Partnership Program. Roberta, our Google rep, offers a free program to help stakeholders improve their presence in Google searches. 44% of people use these Google tools to search destinations. This partnership is meant to help educate DMO to perform better on Google allowing the DMO to be a trusted provider and have access to easy verification for stakeholders. The first round will focus on hotels. Alexis told the Board that listings with photos and virtual tours are very important in generating interest as much as two times. This partnership will include cleaning up the Google maps to help round out the destination as well as claim CBTS as a destination and create new destination pages for CBTS. A tentative schedule has been set through the end of the year to accomplish this first phase.

- MozLocal will be on location to focus on the SEO performance for the Destination. They will review the SEO as it relates to CBTS business listings, making sure the information is consistent across all channels. According to Alexis, VC is saving money with the recent B+D / Madden merger eliminating one commission. VC will own the DMO asset. Workshops are available to help facilitate this first phase if desired.

Financial Report: Mark Watson reported that VC currently has \$132K in the bank. To date the CRID has \$16,451.92 in outstanding expenses associated with its formation that it needs to reimburse VC. The City of Camel currently has an outstanding balance of \$30K on its scheduled installment. Mark has added new features in the monthly reporting of the expenses on the budget to better comply with the suggestions made by CIVITAS to track the income and expenses separately for the three entities (CHID, CRID and City of Carmel). The Annual Budget will be expanded only if necessary. Mark currently expects to have approximately \$278K in reserve to start off the upcoming new year. Mark is also planning to wait till Fall to hire the agreed upon helper/bookkeeper which will give him plenty of time to get the new hire up and running for the new fiscal year. According to the information available at the time of this Board meeting, 14 restaurants out of 50 have paid their assessment.

Looking at the Market Share Report, CBTS occupancy was down 8% in first quarter but ADR was up 1%. RevPar was down quite a bit. Monterey saw a decrease of 7.5%, Santa Barbara was down 10% and Calistoga is still recovering. YOY over the past 12 months shows Carmel up 6.7%, Monterey 8.6% and Calistoga 10.7%. Our market share increase equated to \$185K.

Additions to the Agenda/Future Agenda Items: A comment was made that Pebble Beach and Golf World are making a big push in media and influencer articles for the US Open. Tim Ryan, a representative with the US Open tournament, said ticket sales have doubled. The Public Works gave an overview for the City Council at this month's regular meeting on the City's preparedness to handle the increased traffic that is expected the week of the US Open. Chamber has a shuttle service running during the Event. The cost is \$25 per day per person or \$100 pass for all 7 days. Jeff is planning targeted Eblasts for the US Open to highlight CBTS advantages including restaurant and hotel updates.

Meeting adjourned at 4:56pm