



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS MEETING

VIA VIDEO CONFERENCE

Carmel-by-the-Sea, CA 93921

Thursday, October 8, 2020

2:30 PM

MINUTES

Board Members Present: Mark Watson, Pamela Sheppard, Mary Crowe, Chip Rerig, Rich Pepe, Jenny MacMurdo, Berit Keeble, John Lloyd, Ken Spilfogel

Board Members Absent: none

Also in Attendance: Amy Herzog, Visit Carmel Exec Director; Ashley Brune, Abbi Agency; Jeff Burghardt and Bryan Tracey, Madden Media; Suzanne Gravelle, CARS; Carrie Theis, Hofsas House and Carmel City Council; Ashlee Wright, City of CBTS; Chris Whitman, Hideaway and Getaway Inns; Andrew Jay, L'Auberge; Dale Bryne, CRA.

Rich Pepe called the Meeting to order 2:31pm

Public Comment: Dale Bryne updated the Board on the Carmel Gives initiative. \$300K raised with \$160K distributed. The Fire Fund Card has funded over 400 Gift Cards, total value \$20K, to local restaurants for victims of the recent Carmel Fire. Chamber Passport Program and Halloween Decorating are underway. The group is working on developing a meal program with the help of Ken Spilfogel as well as an emergency response team in both Carmel and Carmel Valley. Carmel Cares/Gives is working on becoming a 501(c)3. Various activities are in the works to improve CBTS including coordinating their efforts with the Carmel Public Works Dept.

Minutes: **Jenny MacMurdo made a motion to approve the minutes from September 10, 2020. Chip Rerig seconded the motion.** Motion passes unanimously.

Nomination Committee: Amy Herzog recapped the current breakdown of the various board member terms. Rich Pepe will begin his 3rd term, Andrew Jay will be taking over for Ramon Serrano with 2 years left on his term. Chris Whitman is replacing the seat vacated by outgoing board member, Berit Keeble.

Financial Report: Mark Watson gave the following recap:

Visit Carmel had \$424K in the bank at the end of September. PR expenses are on track with the budget. Marketing expenses are slightly over for the month but under budget by \$3K YTD. Overall VC is \$16K under budget YTD.

Discussion regarding the final quarter of 2020 and the 2021 Budget followed. Agencies are sticking close to the post-COVID revised budget. The Board was asked to consider increasing the spend in the last quarter of 2020. The Board agreed to add funds to the existing 2020 budget for Madden Media to create a stronger media buy in. VC will continue to promote the message of safety for the health and well-being of our village. Money is currently available to put the word out about restaurants reopening when the time comes. Mark is going to modify the 2021 budget, adding \$150K, since the current revenue is up by \$250K from earlier projections. This will allow the Board to start with a budget of \$500K for 2021. November 5th Board Meeting will be a closed session at which time the Agencies will present their 2021 budgets. Jeff Burghardt provided the Board with current marketing “spends” to help the Board decide how much to increase the 4th quarter budget.

Mark Watson made a motion to allocate up to \$30K in additional marketing funds to the 4th Quarter marketing budget but to be reassessed at the November 5th Closed Session to determine its effectiveness. Pam Sheppard seconded the motion. The motion unanimously passed.

Mark briefly ran through the proposed 2021 Budget ahead of next month’s meeting. 1st Column is Pre-COVID which shows an overall budget of \$966K, breaking down the various budget expenses into the following categories: 12% PR, 63% Marketing, 1% Sales and 20% Administration. Mark feels that if the 2% increase in TOT is voted in the budget will stay on target but if the TOT were to remain at the current 1% the overall budget would need to be reduced by 30% from what is normally done. \$500K is currently in reserve and has not been factored into the 2021 Budget now. Mark’s plan is to hear feedback from the agencies at next month’s closed session then fine tune the budget and present the Board with an updated budget proposal for board vote.

Executive Director’s Report: Amy Herzog reported:

- Update on the HID renewal. 71% of assessed hotels have returned the petition. There is currently more than 75% support from the stakeholders based on revenue. Only 1 stakeholder has expressed not being in support of increasing the TOT at this time, as his clientele is more rate sensitive. Resolution of Intent to Renew has been approved by the current City Council. There is some concern that if the election brings a change in the makeup of the city council would change the current council support for the initiative. It is possible that the resolution could get pushed back 30 days. Amy H is asking for a show of support for the 2% increase at the Nov 3rd City Council meeting since protest comments will be allowed.
- Stakeholder Communication continues to go out monthly. The newly revised Tear Pad Maps are with CIA Team Leaders.
- COVID Banners along Ocean Ave were removed on Oct 5. VC forgot to put in for an extension when the original event that had reserved the banner spots had been cancelled. The COVID Banners are planning to go back soon.
- Culinary Week in January is now planned to be Culinary Month. RID Committee is set to meet to discuss different elements. This is a great opportunity to positively impact the restaurants.

- Amy reviewed the MCCVB highlights from marketing co-op for the past month.
- Visit CA has really shifted their marketing focus to in-state marketing. This is the first time since 9-11. They are also spending more energy promoting areas inside the CCTC.
- Madden Media has also been asked to represent the marketing efforts for all CA rural regions.
- There will be a Closed Session on November 5, 2020. It will focus on presentations by the Abbi Agency and Madden Media for 2021 including Board reviews of both agencies and the Executive Director.
- November 12 is the regular Board Meeting. Incoming Board Members are asked to attend both meetings.

Marketing and Advertising: Jeff Burghardt reported:

- Marketing trends indicate that more people are interested in travel. YOY Book Direct Referrals saw September increase over 2019. Statistics show that SF visitors to the website are down; LA, San Jose and Sacramento are up. The Direct Market is expanding to include: Las Vegas, Roseville and Stockton which is way up.
- Marketing Campaign will continue to push midweek and safety message. The increase in media spending will amplify the same message. Jeff plans to add display ads that will target the Millennial group, especially those inclined to work remote midweek.
- RID continues with in-market social ads including the greater Bay Area and will open to the local markets.
- CBTS made the Conde Nast Traveler Readers' Choice Award. Carmel has been consistently in the top 10 for the past 10-15 years. This year we are number three "Best Small City."

Public Relations and Social Media: Ashely Brune sent the PR report out in advance of today's meeting for Board Review.

- Social Media is looking good. Posting has increased 5 times per week per the discussion at last months' Board Meeting.
- Two FAM opportunities are coming up. October 29 – La Playa will be hosting. This FAM will be a content partnership focusing on aesthetically pleasing content. San Joaquin Magazine will be the second FAM date TBD.
- Here and Now Photoshoot will be taking place this month. Photos will be of CBTS to help market the current atmosphere.
- Social Media has seen positive engagement around the recent posts. Posts consist of inspirational and safety messaging.
- Visit CA will be hosting their Virtual Travel Media focusing on domestic travel. Abbi Agency will be representing CBTS for 24 appointments with different media outlets this January.

Additions to the Agenda: Ken Spilfogel who has been working with Dale Bryne gave him and Carmel Cares a shout out.

Meeting Adjourned at 4:06pm