



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS MEETING

VIA VIDEO CONFERENCE

Carmel-by-the-Sea, CA 93921

Thursday, December 10, 2020

2:30 PM

MINUTES

Board Members Present: Mark Watson, Pamela Sheppard, Mary Crowe, Chip Rerig, Rich Pepe, Ken Spilfogel, Chris Whitman, Andrew Jay

Board Members Absent: John Lloyd

Also in Attendance: Amy Herzog, Visit Carmel Executive Director; Ashley Brune and Steven Smith, Abbi Agency; Jeff Burghardt, Nicole Dore and Bryan Tracey, Madden Media; Suzanne Gravelle, CARS; Carrie Theis, Hofsas House and Carmel City Council; Ashlee Wright, City of CBTS; Jenny MacMurdo, Carmel Chamber of Commerce; Mary Rocha, Pescadero and Barmel; Sarah Cook, Carmel Café; Janine Chicourrat, Carmel Resident; Scott Richards, Tradewinds Carmel and Carmel Lodge.

Rich Pepe called the Meeting to order 2:34pm

Public Comment: Mary Rocha purposed a concept called "Dine Out Carmel." All day restaurant participation that encourages restaurant dining, gift certificate purchasing, take out and "paying it forward." Andrew Jay asked if the Board intended to discuss the newest Stay at Home Order. The Board intends to discuss it only as it pertains to the media campaigns planned during the order.

Minutes: **Chip Rerig made a motion to approve the minutes from November 5 and November 12, 2020**
Andrew Jay seconded the motion. Motion passes unanimously.

Update Bylaws: Amy Herzog reported that very little substantive content was added to the bylaws. Changes include: language to add an employee; language to allow the Board the power to hire outside consultants (The Board would be ultimately responsible for their activities.); and language adding more flexibility regarding timing for holding the annual meeting. **Chip Rerig made a motion to approve the new updated bylaws, Andrew Jay seconded the motion. Roll call was taken and all present voted to approve the motion.** Motion passes unanimously.

Executive Director's Report: Amy Herzog reported:

- HID Renewal went before the City Council on December 8, 2020 for approval. Due to technical difficulties, the vote was postponed to a special meeting on December 15, 2020 at 4:30pm.
- Bylaws and pending HID Contract with the City has been review by Visit Carmel's insurance agent, Matt Little, as well as both Visit Carmel legal counsel and CBTS City Attorney. Exploring whether State Form 700 that addresses potential conflict of interest must be completed by all Board Members. The City attorney may be asked to review this document with the Board at an upcoming meeting.
- The Board appoints the RID committee. The RID has re-nominated the existing RID committee as is. **Chip Rerig made a motion to approve the existing slate of RID committee members for 2021, Chris Whitman seconded the motion.** Motion passes unanimously.
- Stakeholder Communication focused on virtual experiences, #LoveCarmel sticker distribution, Non-Stop flight to Seattle starting in February from Monterey Peninsula Airport and the continuation of the weekly contact with the restaurants.
- Visit California continues to use Carmel highlights submitted by the Abbi Agency in their media coverage. Visit California will host a virtual summit in 2021 that is free to all participants.
- Board "Welcome" Packets are coming out soon.

Financial Report: Mark Watson gave the following recap:

- VC had \$484K in the bank at the end of November. Mark reminded everyone that part of that total includes \$150K EIDL loan.
- The November check for the RID contribution was \$40K bringing the total to over \$500K in the bank. VC budgeted \$47,944 for the RID, the actual amount was \$41,357. 28% of the restaurants were not reporting.
- PR Budget is on pace, YTD is slightly under budget. Marketing budget is slightly over pace. Administration is \$22K under budget but on track.

Mark feels we are starting the 2021 year in good shape.

The 2021 budget is anticipating CBTS to have 29% less occupancy than "normal". Anticipating the HID renewal passes and the CHID collection increases to 2%, total TOT revenue is anticipated at \$4.5M that's a 25% decrease from a normal year. RevPar is expected to be 34.2% below normal in 2021 for the industry, Mark is anticipating Carmel will have a slightly quicker recovery. Budget highlights include: PR \$127,901, Marketing \$650K and Administration \$142K. Total expenses are projected at \$926K, leaving us with a positive balance of \$128K at the end of the year. **Chris Whitman made a motion to approve the 2021 Budget as projected with the caveat that it is based on the 2% increase slated in the HID renewal before the City Council, Andrew Jay seconded the motion.** Motion passes unanimously.

Marketing and Advertising: Jeff Burghardt reported

- Winter Campaign has been mostly paused. There is a low level of digital ads. Pepe asked what's the current budget. Jeff stated \$1800 between ad sets and SEM. FB and Google ads have a much smaller budget. Eblast is focused on Gift Certificates. Blog page highlights businesses that are open. Chip is happy with this approach. "Take Out" Campaign targets the local market and links to the "online guide" with special offers. An "Enter to Win" Sweepstakes component has been included.
- Jeff reviewed the 2021 Budget with the Board. The 1st Qtr budget will need to be updated to reflect the Shelter in Place (SIP) order.

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

- Q1 will focus on Culinary supporting the "Take Out" program. The decision has been made to start this early due to the SIP order.
- Ashley reviewed the highlights from 2020 including the article from Punch Magazine which included the Cover Photo and a four page write up.
- Message is shifting on Social Media with the new SIP order. Abbi Agency plans to continue with the same frequency of posting and will coordinate with Madden Media. In October Abbi Agency hosted an influencer from the Bay Area that produced 92 owned images.

Additions to the Agenda: Discussion around the new SIP order with the members of the meeting ensued. VC has decided not to market for current conditions. There was a consensus that the Board is on point to market for future stays, promoting "Book Now/Stay Later". Chris Whitman feels we need to be aggressive for Q2 and Q3 now. Jeff is looking for discount offers to promote for the "Dream Now/Stay Later" campaign. There are currently no plans to close the beach. Board felt it was prudent to schedule an interim meeting. Board agreed to meet Monday, December 21, 2020 at 2:30pm.

Meeting Adjourned at 4:27pm