



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS MEETING

Hotel Carmel

San Carlos and 4th

Carmel-by-the-Sea, CA 93921

Thursday, February 13, 2020

2:30 PM

MINUTES

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

Board Members Absent: Ken Spilfogel

Also in Attendance: Amy Herzog, Visit Carmel Exec Director; Ashley Brune, and Dylan Anderson, Abbi Agency (Via Phone); Jeff Burghardt and Bryan Tracey, Madden Media; Carrie Theis, Hofsas House and CBTS City Council; Jo Todd; Kimber Tabscott and Rachel Dinbokowitz, MCCVB; Suzanne Gravelle, Carmel Area Reservation Service; Angela Sonza, IBTS; Gina Delli-Gatti, Sunset Center; Hella Rothwell, Carmel Art Festival; Sandra Book, Carmel Visitors Center; Nancy Chiara Garcia, Scheid Vineyard/Scheid Family Wines; Dave Berger, Retired Seattle Visitor; Barak Laub, Carmel Fun Maps.

MEETING CALLED TO ORDER: Rich Pepe called the meeting to order at 2:32pm

Public Comments: Chip Rerig introduced David Berger, retired City Manager and formerly with the MRWMD, now a Seattle resident is excited to speak to the new Seattle flight at the end of today's meeting at Chip's request. Mark Watson requested VC put a link on our Eblasts to Fly Monterey website to support the airport and requesting that our stakeholders do the same to advertise the direct flights. Gina Delli-Gatti announced that next week Sunset Center is offering stakeholders a BOGO opportunity to see the Thursday 8pm showing of Cirque Eloise, a hotel themed production. 50 tickets are available. Jo Todd announced there are new flyers available for the Art Walk schedule and two new galleries have opened in CBTS, Patricia Qualls and Erin Wango.

Approval of Minutes: ***John Lloyd made a motion to approve the Minutes from January 9, 2020, Mark Watson seconded the motion. Unanimously approved.***

Small Group Business: Suzanne Gravelle shared with the Board her thoughts on group business in CBTS. 50 people and under are the optimal size group to cater to. Currently the inquiry process is a maze and

there are no streamline policies in place. We need a prompt and cohesive response to the potential client. CARS group business comes from referrals and the Chamber and compensation comes mainly from the hotel commissions and on a case by case basis from restaurant referral fees. Suzanne is open to discussing options to drive group business. VC needs to decide if they want to take the “team approach.” Mary Crowe asked if Suzanne could quantify requests for rooms vs rooms with meeting space. Suzanne’s requests are mostly rooms with food/beverage. Suzanne feels there is a market for corporate business (ie retreats) which could be driven to off-season/mid-week. The next step is to quantify available opportunities and to determine CBTS “sweet spot” group vs individual to support VC interest. John Lloyd suggested an ad-hoc committee to discuss procedures and communications regarding group service. John Lloyd, Mary Crowe, Ramon Serrano and Berit Keeble agreed to be on this committee. At Rich Pepe’s request correspondence will also be sent out to see who would like to participate.

Carmel Hospitality Improvement District Renewal: Amy Herzog reported that the current term of the CHID is for 5 years and expires in February 2021. According to CIVITAS the renewal process takes 4-6 months. There is a petition period that requires a petition with at least a 50% representation and then goes to the City Council meeting for resolution. VC will need to review the CHID bylaws and address any updates to the existing plan. CIVITAS has proposed a \$22K fee to provide guidance throughout the process. Amy highlighted the following areas for consideration:

- Length of term. Should we increase it to 10 years?
- Amount of the assessment
- Short term rental affect
- Long term planning strategy

Amy would like to start the renewal process in May. It was suggested that the Board form an ad-hoc committee to work on the renewal plan to present to the Board. Board Members: Rich Pepe, Mark Watson, Chip Rerig and Pam Sheppard along with Amy Herzog will serve on the committee. The first order of business will be to consult with the City attorney.

Executive Director’s Report: Amy Herzog reported the following

- April Locke and Mark McMinn have left the MCCVB. A new CEO has been selected and an announcement will be made soon.
- Gourmetfest has been postponed till March, 2021
- Monterey Airport will begin service to Seattle June 18, 2020. Dallas service returns April 7 testing 2 flights a day. Denver service returns March 5 with 2 flights a day. JSX will begin seasonal flights to Burbank and OC for \$99 each way. New restaurant at airport.
- CBTS Mural Committee has chosen Marie-Claire Gorham as our Selfie Wall artist. The committee is meeting with Marie-Claire on February 18 and will work with the Abbi Agency on a promotional plan for the unveiling in May during Art Week. The artist has deep roots in the community. The ideas and plans for the mural will be presented at the March meeting. The project is specific to Carmel and suggests we live in an “artist town” not a “tourist town”.
- The Chamber would like to collaborate with VC to print a 3rd map using the graphics from the 11”x17” current tear pad map to create a 8.5”x11” “City Map”. The front side will be a close-up map of downtown CBTS and the back side will be a broader view of the surrounding area. The objective is to enhance visitor services, improve functionality, and continue uniform branding efforts. VC would cover the \$800 redesign and the Chamber would cover the cost of the printing. ***Mark Watson made a motion to approve the collaboration, Chip Rerig seconded the motion with the consideration to add a QR Code to the website/map for those people who***

prefer a non-printed option. Unanimous approval. Note: Jenny MacMurdo abstained from the vote.

- Carmel Culinary Week was overall declared a success. Highlights include: 1738 passes downloaded (about 1000 were from MP residents), 475 passports used, 668 check-ins, 338 event tickets sold (8 events were sold out), 840 opt-in signups. Grand Prize getaway has been awarded. VC signed up for a 1 year membership with Bandwango (the app used to facilitate Culinary Week). Jeff Burghardt and Jack Galante have found a way to utilize the app to promote the Carmel Wine Walk tasting room passport for the duration of the membership as a pilot test.
- Coronavirus is a hot topic at Visit California. They are reporting a 20% decline in visits from China. However, they predict a 2.9% increase overall in international travel. Outlook Forum was interesting and informative.
- Visit Carmel's annual report is due April 15. Jenny MacMurdo and Carrie Theis agree to serve as Board advisors.
- May Board meeting will serve as a kick off for the HID renewal. The Board agrees to combine the Annual Open House and May Board Meeting.

Marketing and Advertising Update: Jeff Burghardt and Bryan Tracey reported

- Madden Media/Visit Carmel as a finalist for the 2020 Poppy Award for Brand Identity at the Visit CA Outlook Forum.
- Culinary Week marketing included a multi-media campaign. The website landing page had 41K views from Dec 6, 2019 to the Event. Paid Ads brought most of the traffic to the site and the average visitor stayed 2 minutes. San Francisco, Dallas and San Jose were the top 3 markets searching for Culinary Week. Local markets were the top feeders for passport and event downloads with CBTS, Monterey and PG as the top 3 respectively. Winter Campaign continues with digital marketing.
- 75% of the current ads are without sound but require good visuals/graphics. A 3-minute custom lifestyle segment is scheduled for California Live on NBC Bay Area which VC will get to keep and reuse.
- VC has 44% view rate on YouTube with Video Ads. VC pays on ads that are viewed over 10 seconds. Marketing efforts intend to Geo target fly markets with ads now that flights are coming back to Monterey airport.
- Jeff discussed key performance indicators citing Jack Rabbit and DOMO website. Notably the digital campaign which pushes a lot of videos has a CTR of 6.7% while industry avg is 2-4%CTR. The Board expressed a need to put the overwhelming statistics into a format that would allow our industry to determine if we are doing better or worse including adding another comp set to our Market Share Analysis. Madden will implement a new quarterly strategy for our April meeting.

Public Relations and Social Media: Ashley and Steven presented the following recap via phone:

- The focus was primarily on Carmel Culinary Week including online articles with Roseville Today, Visit CA, Edible Monterey, a printed article in Coast Weekly and a Media partnership with KSBW and NBC LA. VC worked with the Bay Area News Group for a prize giveaway to Culinary Week.
- Social Media highlights also focused on Culinary Week. Total Impressions 107K, Total Engagements 6K, Story Views 80K, and 1400 new followers. The SM Giveaway had 25K impressions, 1839 engagements and 134 entries.
- Bay Area Influencer Michael Tran (@betweenballoons) promoted the event as did Food Travel Chat that had 24K impressions and 750 Engagements which is extremely high.

- Abbi Agency will add animation in their future posts by increasing video type photography to their posts which they feel will set VC apart from our competitor set. Abbi Agency will be in Carmel for their quarterly photoshoot.

Financial Report: Mark Watson reported VC has \$179,794 equity in the bank. As of this meeting the City funds are outstanding. Marketing costs are in the rears and are still due thus the \$9600 positive cash flow. On the market share report CBTS was down 4% in July/August of 2019, Sept/Oct 2019 was down, Nov/Dec 2019 and January 2020 was flat. February 2020 is looking better.

Additions to the Agenda/Future Agenda Items: Chip Rerig would like to focus on growing our market share by geo targeting Seattle for the direct flight and prospecting ads. Highlights could focus on video around the Monterey airport experience being “easy/fast/no fuss”. Dave Berger, a retired Seattle visitor, spoke to the Seattle/Metro demographics which include the highest percentage of disposable tech income and less than one half have heard of CBTS. Special effort should be made to market, especially in winter, the Seattle fly market. Currently, the MCCVB plans to allocate \$70K to market the new flight, identify and create intent via in-flight advertising on Alaska Airlines. There is a perceived need to step outside our bubble and look for other markets.

Additions to future Agenda include: a suggestion to move Marketing and PR reports to front of the meeting. Rich Pepe would like to invite representatives from the Monterey Airport and would like the Board to consider how much of the Marketing and PR reports they would like to have reviewed at the Board meetings if they are provided in advance. Limiting the recap could allow more time for discussion of the information presented.

Meeting adjourned at 5:20pm