



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS MEETING

Hotel Carmel

San Carlos and 4th

Carmel-by-the-Sea, CA 93921

Thursday, March 12, 2020

2:30 PM

MINUTES

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

Board Members Absent: Berit Keeble

Also in Attendance: Amy Herzog, Visit Carmel Exec Director; Abbi Whitaker and Ashley Brune, Abbi Agency; Jeff Burghardt, Nicole Dore and Bryan Tracey (Via Phone), Madden Media; Carrie Theis, Hofsas House and CBTS City Council; Jo Todd, Resident; Rob O'Keefe, MCCVB; Suzanne Gravelle, Carmel Area Reservation Service; Angela Lonza, IBTS; Christine Sandin, Beth Bowman, Gina Delli-Gatti and Mary Carrieri, Sunset Center; Hella Rothwell, Carmel Art Festival; Sandra Book, Carmel Visitors Center; Nancy Chiara Garcia, Scheid Vineyard/Scheid Family Wines; Stacey Giovino, Carmel Food Tours; Barak Laub, Carmel Fun; Nicola Reilly, Monterey Symphony; Michael La Pier, Monterey Regional Airport; Ashley Wright, City of CBTS; Tony Salameh, Anton and Michel.

MEETING CALLED TO ORDER: Rich Pepe called the meeting to order at 2:35pm

Approval of Minutes: ***John Lloyd made a motion to approve the Minutes from February 13, 2020, Mary Crowe seconded the motion. Unanimously approved.***

Nomination of Officers: ***Mary Crowe made a motion to accept the existing officers: Mark Watson, Treasurer; Pam Sheppard, Secretary; and Rich Pepe, Chair Person, for another 1 year term. John Lloyd seconded the motion. Unanimously approved.*** Officers will be voted on at next month's board meeting.

Special Announcement: According to Chip Rerig, the Director of Emergency Services declared a State of Emergency in CBTS. The decision will be ratified tomorrow AM in City Council chambers. The State of Emergency (SOE) allows for the cancellation of events at Sunset Center and other group events through the end of the month. It could extend to the closing of other public facilities. CBTS is the first City to adopt this stance. Tomorrow morning's 11am special council meeting at City Hall will outline access that

will remain open. It will enforce the current mandate by the Governor to limit gatherings to 250 people. The current order does not provide for sources of economic relief.

Monterey Regional Airport: The Executive Director, Michael LaPier, reported that the airport had a good winter with the addition of the new flights and the return of the scheduled flights adding 26.5% capacity to the airport. LaPier credits the Community with contributing to the boost in airport interest. JSX will launch a non-stop flight to Burbank and Orange County. Dallas Service will return with additional flights due to a 96% capacity on previous flights April/May. Monterey Airport will focus on getting UA flights to be permanent and helping them understand the market better, encouraging them to update their aircrafts to better serve the area. Breeze Airways (based out of SLC, Utah), a brand-new service, had a successful fall launch on the East Coast, is in talks with MRY. So far, MRY Airport has not seen a downturn yet in their fly market. LaPier and staff are closely monitoring the situation. Oakland has reported a 40% downturn, John Wayne Airport a 30% decrease. So far, there has been no reduction in service from the carriers or change in roll out plans. MRA will try to mitigate the effects to travel with incentives to fly if healthy, reduce penalties for changes or cancellations to travel, and remind travelers about the safety of flying. LaPier goal is to continue to appeal to the local markets (e.g. local business travelers and ag industry).

Public Relations and Social Media: Abbi and Ashley gave the following recap:

- Due to the Coronavirus effect on current travel VC PR has decided to postpone all active earned media and social media boosts. The plan is to pause and regroup taking a conservative approach for now and wait for the crisis to pass. Social Media posts will be reduced to 2 times per week. During this downtime, Abbi Agency will continue to build relationships with freelance travel writers and be ready to hit the ground running.
- Overall traffic across all channels was down from the previous month. Probably because of the increased engagement due to Culinary Week. Visit Carmel still performed better than the rest of its competitor set on both Instagram and Facebook during this same period.
- Rob O'Keefe, MCCVB, reported on the See Monterey strategy, which was to maintain existing relationships while maintaining perspective and balance, saving much needed funds for recovery. They have put all travel promotion on hold that involves traveling from a distance and concentrate on the drive market. They will be changing their messaging to be sensitive to the situation. See Monterey is also drafting a tool kit for their stakeholders to reach out to the public regarding guest communication, cleanliness protocols and flexible cancellation policies to protect against loss and uncertainty in travel. MCCVB Executive Board will meet on March 13 to discuss a strategic plan moving ahead.
- PR and Marketing expressed a need for unified messaging during this crisis and felt MCCVB should take the lead for the destination. Both agencies will work on creating evergreen content and profiles that personal to have available content. Chip wants to meet in a week to discuss digital media and social boosting and requested no paid content for the interim.

Marketing and Advertising Update: Jeff Burghardt, Nicole Dore and Bryan Tracey reported

- Madden media will halt all paid digital media advertising while we assess the emerging situation.
- Website traffic was down. The accommodations page continues to be the #1 landing page on the site.
- Madden Media has begun strategizing for changes in the market due to the Coronavirus identifying key elements to keep an eye on.

- Jeff recapped the current winter marketing strategy and upcoming promotional plans across all channels.
- Work on updating the existing 11x17 tear map and creation of the new 8.5x11 continue.
- RID marketing is on-going including the introduction of Culinary Passports with incentives.
- The Board instructed Madden to work with the Abbi Agency to provide a Tool Kit to stakeholders. Mark Watson, felt the budget could support ongoing efforts with SEM on a very low cost scale but felt the it necessary to stop all sponsored digital media and boosting for the time being. The Board concurred.

Public Comment: Nancy Chiara Garcia of Scheid Winery announced the wine room is open as of today after their refresh. Preferred Businesses can call for guest bookings. Amy Herzog and Rich Pepe have plans to meet with the Tasting Rooms. Jo Todd will be singing and poem reading on March 28, 2020 at River House Books. March Art Walk has been cancelled. Concerts at the Presbyterian Church are still happening. Christine Sandin announced Sunset Center is closing all its facilities as of 5pm tonight till the end of the month. It's a wait and see for April. Monterey Symphony has cancelled all their performances. EG Conference has cancelled. Stacey Giovini announced she has received many cancellations for the upcoming food tours. Please eat out if you can to support local restaurants. Pepe reminded everyone that communication is key to keeping the public informed. Jenny reminded everyone that supporting the community is very important.

Financial Report: Mark Watson reported February had an income of \$154K but VC Budgeted \$163K, down \$9K for the month. Currently we had a net cash flow surplus of \$17K. Mark feels we need to be ready when things start to turn around. Mark revised the current 2020 budget to reflect the effects of the current crisis. He anticipates a \$288K overall decrease in VC budget.

Additions to the Agenda: Mary Crowe announced there will be a Cabinet Society Night at La Playa and David Moore will be playing from 6-8pm. Open to all. Amy Herzog noted that two items that were not discussed at today's meeting included the Executive Directors Report and the Crisis Management Report. Both are available for review.

Meeting adjourned at 4:45pm