



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS MEETING

VIA VIDEO CONFERENCE

Carmel-by-the-Sea, CA 93921

Thursday, August 13, 2020

2:30 PM

MINUTES

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

Board Members Absent: Ramon Serrano, Ken Spilfogel, Chip Rerig

Also in Attendance: Amy Herzog, Visit Carmel Exec Director; Ashley Brune and Steven Smith, Abbi Agency; Jeff Burghardt, Bryan Tracey and Nicole Dore, Madden Media; Suzanne Gravelle, CARS; Carrie Theis, Hofsas House and Carmel City Council; Ashlee Wright and Sharon Fredrichsen, City of CBTS; Staci Giovino, Carmel Food Tours; Thomas Rogers, Vagabonds House, Chris Whitman, Hideaway and Getaway Inns.

Rich Pepe called the Meeting to order 2:32pm

Public Comment: Jenny MacMurdo announced that Carmel Chamber is partnering with Carmel Gives to hand out veggie boxes from Rancho Cielo.

Minutes: **Jenny MacMurdo made a motion to approve the minutes from July 23, 2020, Mary Crowe seconded the motion.** Motion passes unanimously.

Nomination Committee: Mary Crowe reported that they currently have identified two Inn candidates to replace Ramon Serrano who has moved out of the area and Berit Keeble whose term is ending: Chris Whitman from The Getaway and The Hideaway; and Andrew Jay from L'Auberge Carmel. Nominations are due September 9, 2020. Committee will make recommendations at the October board meeting. The Board will then vote at the November meeting. All candidates must represent properties paying into the HID assessment.

Executive Director's Report: Amy Herzog reported:

- Banner and Sign distribution has slowed considerably. Majority of dispersements are the coasters. Only 800 coasters left. The City paid for the 1st printing. The question was put before

the Board that if a second printing was required should the RID assume the printing costs. The Board expressed a need to figure out the best use for maximum efficiency.

- Stakeholder Communication continues to send out every Thursday a request to restaurants for updates to post on the VC website for visitor and hotel to refer to for information. There are two new wine tasting rooms in CBTS, Talbott and Carmel Ridge. Manzoni Cellars took over the former Holman Ranch space.
- Tear Pad maps updates are almost complete. This time there will be an addition of a QR code for touchless map capabilities on smart phones. Deadline to submit changes is next Tuesday. 150 are slated to be printed to allow for changes before a reprint. RID will pay ½ the printing costs with CIA picking up the balance. End of next week the maps will go to print.
- All City sponsored events have been cancelled through the end of the year. Meet the Makers has also been cancelled. Joaquin says 7 out of approximately 20 locally owned galleries have permanently closed their doors. Art Walk has also been cancelled through the end of the year.
- RID Meeting began discussions around the 2021 Culinary Week. Everyone would still like to have the event. Talk focused on the local angle for participation.
- MCCVB reported a lot of earned media including a good article in 7x7 updating the traveler on the current characteristics. Amy H attended a marketing meeting at the MCCVB. They reported “intent to travel” has dropped off in March and July. News cycles have a direct impact on the searches. US Travel Association projected a dire forecast that 2019 levels will not be seen till beyond 2023. Local research is showing that our area will likely recover faster than other areas. Monterey is seeing ADR consistently lower than last year, even lower than predicted. However, occupancy is higher than predicted but lower than last year.
- Visit CA is in the mindset of resuming activities. An encouraging uptick shows 52% willing to travel. Visit CA is targeting 60%. Apparently, CA are more cautious about traveling than people nationally. Room demand between March and August is down 41% in gateway cities (i.e. SF, LA) and 17% in rural areas.
- September 10 is our next regular Board Meeting. 2021 draft of Visit Carmel budget will begin following the September meeting. HID renewal petition will go out to stakeholders and City Council will hear the first of the renewal proposal. City Council also has plans to discuss Labor Day Weekend activities. There is currently no discussion about beach closures during that weekend.

Marketing and Advertising: Jeff Burghardt reported:

- Web traffic was reviewed from June 1 through August 10. Advertising was paused during July 4th weekend, which caused a big drop. Paid media on Google, FB is critical to drive traffic to the site. Web traffic from L.A. is up 10%, SF is still #1 even though we saw a slight decrease in traffic. Demographics show 18-24 years and 64 years is up over last year. All other categories are down. YOY Book Direct stats from VC website show June, July slightly higher than last year.
- VC is currently running 3 Campaigns: Midweek Digital Campaign, Millennial MidWeek Digital and RID In-Market Digital. Millennial Midweek social ads are targeting the Bay Area. Banner Ads are focusing on remarketing and prospecting via the Google networks. RID In-Market social campaign is using a geo target of 50 miles or greater steering business to Tuesday-Thursday. The top area for impressions include: SF, Oakland and San Jose.

Public Relations and Social Media: Ashely Brune sent the PR report out in advance of today’s meeting for Board Review. Steven Smith reported that Social Media posts are currently fluctuating between 2 and 4 posts per week. Engagement sentiment is relatively positive. Published posts by our competitor set has been higher. We have averaged approximately 14 per month while Monterey is at 32 and Napa is the

highest at 45. Impressions were at 1.7M last month. This month they are way down which Abbi Agency is attributing to frequency of posts. Abbi Agency is recommending to the Board that posts return to pre-covid frequency with more of the same content. The focus will continue to be mid-week but with an emphasis on reaching more people through more frequent posts to compete with comp set.

Financial Report: Mark Watson reported we currently have \$408K in the bank. The EIDL loan funded providing VC with \$149,900 in funds. The loan provides 12 months of interest free money. The City funded VC \$24K, originally that number was supposed to be \$30K on a quarterly basis. We paid out \$28K in expenses which is in line with the \$30K budgeted. Overall cash flow is negative \$27K which was expected. Market share report for May/June is due at the end of the month. According to Mark, 52% of Expedia clients cancel. The booking window has gone from an average of 36 days to 8 days. Safety is #1 on the travelers' mind followed by #2 and #3 being beach destinations. Mark feels it would be prudent to start discussing possible scenarios for winter travel characteristics. Jenny MacMurdo also reminded the Board that Carmel Cares is looking for possible projects to fund.

Additions to the Agenda: Pam Sheppard thanked Mark Watson for his accurate projections regarding his post covid budget.

Meeting Adjourned at 3:46pm