



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS MEETING

VIA VIDEO CONFERENCE

Carmel-by-the-Sea, CA 93921

Thursday, July 23, 2020

2:30 PM

MINUTES

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

Board Members Absent:

Also in Attendance: Amy Herzog, Visit Carmel Exec Director; Ashley Brune, Abbi Agency; Jeff Burghardt, Brian Tracey and Nicole Dore, Madden Media; Sharon Friedrichsen, City of CBTS; Suzanne Gravelle, CARS; Carrie Theis, Hofsas House and Carmel City Council; Ashlee Wright, City of CBTS; Dale Bryne, CRA; Staci Giovino, Carmel Food Tours; Thomas Rogers, Vagabonds House.

Rich Pepe called the Meeting to order 2:32pm

Public Comment: Ken Spilfogel expressed a need for improvement of the communication between restaurants. The restaurants met yesterday and it appears they have a lot of work to do. Pepe asked what is the best way for restaurants to communicate with the hotels. Berit Keeble welcomes communication from the restaurants. Mark Watson reiterated that hotels are currently referring people to the Visit Carmel website and restaurant link for the most up to date information. Everyone agreed that it is important to keep the portal updated on the website.

Minutes: **John Lloyd made a motion to approve the minutes from July 9, 2020, Kenny Spilfogel seconded the motion.** Motion passes unanimously.

Financial Report: Mark Watson reported that the balance sheet currently shows \$262K in the bank at the end of June. Revenue from the hotels came in at \$19K, restaurants \$25K. The hotel revenue was slightly down from the revised COVID projections; 64% from the original budget, 5% lower than the revised budget. Spending is under control. YTD \$3700 under for the month for Marketing and \$3300 under for PR; \$11K under for the overall budget. Market Share information showed Carmel-by-the-Sea 82% down in March and April, the worst of our comp set. YOY change over the last 12 months shows CBTS 8.9% down, which is the best of the comp set. In the last 12 months, CBTS has lost 3.9% of the

market share. Mark expressed concern to the Board about the almost 4% loss of market share. Mark feels it would be important to know how much marketing dollars each destination spent during this 12-month period.

Executive Director's Report: Amy Herzog reported:

- Amy submitted on behalf of VC an application for an EIDL Loan. We received a \$1K grant immediately. VC was notified that we were eligible for \$150K loan. The loan is for a 30-year term at 2.75% interest rate, no payments for 12 months. Mark Watson gave the go ahead for Amy to apply. Amy applied using her own information. Amy sent out a copy of the proposed resolution in advance of today's meeting that gives Amy the authority to sign on behalf of the Board to accept the loan conditions and releases Amy from liability. These funds will allow VC to enter 2021 with a reserve and allow the Board to be more aggressive with our marketing campaign. It's cheap money. Loan payments will be \$600 per month. ***Mary Crowe made a motion to approve the Resolution for the EIDL dated 7/23/2020 and allow Amy Herzog to sign on behalf of Visit Carmel and release her from liability. Pam Sheppard seconded the motion. Motion passes unanimously.***
- HID Renewal process: draft is off to the attorneys. Amy is waiting for comments which are due on Monday.
- Banners and Signs still being distributed. Big thanks to Chip Rerig and Jenny MacMurdo.
- Normal Stakeholders communication dispersed. Communications included encouraging Stakeholders to use signage liberally; promotion of outdoor dining, (2) hotel board seats are currently available in November and the alert that Strike teams from the State are making unannounced visits to businesses to check for Covid Prevention compliance.
- MCCVB collaboration efforts and coordination efforts continues.
- CCTC has 75% cut to their budget forcing them to take a creative approach to reorganization. 225K copies of the CCTC maps including the new wine tasting section are out for distribution.
- Travel survey showed 60% of travelers prefer a destination that require face masks. 8/10 travelers say face masks should be worn in public. Travelers are feeling less safe due to increased number of travelers. 40% expect to travel in the fall. 63% expect conditions to worse in the next month. 60% expect to stay home and do as little as possible in CA. The overall sentiment towards marketing is to stay creative, flexible and reactive.
- CRID meets July 28; Visit Carmel, August 13.

Marketing and Advertising: Jeff Burghardt reported:

- On the variables that make up the Competitor Graphs. Overall VC has seen consistent growth since 2017. The "Covid Coaster" shows the ups and downs due to the conditions. Traffic was down 30% from June 2020 to July 2020. Book Direct stats show hotel referrals for May @5K; June @16K; and so far, July@9K.
- Review of the Recovery Marketing Calendar: Campaign began with Dreaming followed by Welcoming which was then paused and then returned with Visit Responsibly with a Mid-Week call to action. Jeff prefers the flexibility of digital ads. Currently, VC is running for 4 different style of ads, all geared for mid-week which link back to the hotel page on the VC website. "Visit Responsibly" ads are running on FB and Instagram, remarketing ads and core drive market. Jeff cut back on prospecting ads but would like to revisit that decision. Jeff feels we should continue to focus on safety and mid-week travel. Jeff has set aside a small budget to shoot some new lifestyle photoshoots.
- Other marketing efforts include RID and their expanded dining, takeout and wearing masks. Note: JSX airlines has paused their flights.

Public Relations and Social Media: Ashley Brune reported on several publications that highlighted CBTS including: *Travel and Leisure* "Top 15 Cities in the US"; *Conde Nast Traveler* "6 European Charm Cities" and *Reader's Digest/MSN* "12 US Destinations That Feel Like Travel Abroad."

- Social Posts promoting safe travel with people in masks. They lead with a positive statement and reinforce through imagery with safety measures. Posts about "getting outdoors" are seeing lots of positive comments.

Additions to the Agenda:

Meeting Adjourned at 4:04pm