



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS MEETING

Chapman Room, Sunset Center

San Carlos and 9th

Carmel-by-the-Sea, CA 93921

Thursday, November 18, 2021

2:30 PM

MINUTES

Board Members Present: Rich Pepe, Chip Rerig, Mark Watson, Pamela Sheppard, Candace Fecteau, John Lloyd, Chris Whitman (video), Mary Crowe (video), Michael LaPier (video), Greg Ahn (video)

Board Members Absent: None

Also in Attendance: Amy Herzog, Visit Carmel Executive Director; Tim Twomey, CRA; Ashlee Wright, City of CBTS; Liz Bowling, Trevor Birba, Angela Rudolph and Dani Hannah, Abbi Agency (video); Jeff Burghardt, Nicole Dore, Bryan Tracey and Daniel Janes, Madden Media (video); Suzanne Gravelle, CARS (video); Dale Byrne, Carmel Cares and CRA (video); Carrie Theis, City Council and Hofsas House (video)

Rich Pepe called the Meeting to order 2:31pm

Public Comment: Tim Twomey representing the CRA announced the VIP (Village Incentive Program) is kicking back off in January 2022 with new cards. Dale Byrne of Carmel Cares is partnering with Bill Hayward on their Air by Design initiative. They are actively looking to get businesses involved. Mark Watson took the opportunity to congratulate Dale on his Pickup Posse for their trash removal around the Village.

Minutes: **John Lloyd made a motion to approve the minutes from October 14, 2021. Mark Watson seconded the motion.** Motion passes unanimously. **Chip Rerig made a motion to approve the Closed Session minutes from October 14, 2021. Mark Watson seconded the motion.** Motion passes unanimously.

Induct New Board Members: Amy Herzog took the opportunity to welcome the new and returning board members. Board Members should expect a board packet within a couple of weeks for review.

Fiscal Year 2021-2022 Budget: Mark Watson reviewed the final draft of the 2021-2022 Budget with the Board. Highlights include: estimated annual revenue from November 2021-June 2022 at \$1.8million, PR budget at \$160K (9% of revenue), Marketing budget \$926K (50% of revenue), Sales and Promotions

\$79K (4% of revenue) for an overall. Currently, 63% of the revenue has been allocated with 15% set aside for contingencies and 26% is allocated toward reserves. Visit Carmel has roughly \$880K in available funds. Mark plans to pay back the \$149K EIDL loan when it comes due in July 2022 due to the large reserve. Mark pointed out that we have several new budget line items including: 3042 FAM Trip Planning \$6K, 4030 Marketing Co-ops \$68K, 5400 Destination Stewardship \$40K and 5410 Event Production \$30K.

This budget is an increase across all categories due to the increase in revenue. There was a brief discussion regarding the reserve.

John Lloyd made a motion to accept the 2021-2022 budget. Chip Rerig seconded the motion. Motion passes unanimously.

Financial Report: Mark Watson reported that the balance sheet at the end of October showed Visit Carmel had \$934K in the bank, \$149K Liability (EIDL loan) and \$784K in unrestricted funds. The Operating Statement showed \$406K in revenue - \$397K was budgeted. Market noted we had a record amount of TOT. \$1.157million was the projected VC budget (based on the calendar year), and our YTD budget is currently \$1.173million, \$16K over budget to date. Our Marketing expenses were \$29K over for the month but is still 10% under budget for the year. All other categories are tracking on or close to budget. Next month Mark plans to move the VC budget to the new fiscal year.

Destination Stewardship: Amy Herzog began with discussions with the Board regarding implementation options. Amy suggested the Board be cautious when developing the foundation for this new program. There would be no designated staff, just volunteers. The five pillars of the program have been identified as: responsible travel, cultural heritage, environmental conservation, aesthetic integrity and community health. The premise would be to invest in small independent projects. Amy gave some examples of possible projects including: Dale's Pickup Posse and Randy Tunnell's photography project that focuses on local artists, Community Activity projects or Visitor Ambassador projects that would collaborate with Visit Carmel. Currently, VC has allocated \$40K in the budget through the end of the fiscal year. Amy would like to see the Board be flexible when identifying projects and perhaps focus on the commercial areas of CBTS which are more impacted by visitors. Amy suggested the Board bring ideas to the table or possibly invite groups to request sponsorships for projects that meet one of the afore mentioned pillars.

Visit Carmel Executive Director Report: Amy Herzog reported

- We filed a short tax return
- A summary review of the closed session from the last meeting was provided.
- Website is constantly being updated
- Eblast is going out 1x per month.
- It's the 3rd anniversary of the RID. A report will be released that is specific to the restaurants to better inform them about marketing activities. Targeted for January.
- VC received a write up in the Herald highlighting our mission and ongoing efforts on behalf of CBTS.
- Culinary Week is 6 weeks out. 27 Restaurants have committed to participate. It will be a 10-day event using the mobile passport app. The community kickoff party will be from 3-5pm January 14 at the Farmer's Market location in CBTS. MC Vintners and Growers Association is instrumental in putting on this event. Advertising will begin December 1st. Amy will check on the viability of the App function that was downloaded last year.

- Monterey Airport web traffic is strong. October 2021 eclipsed 2019. VC is generating more referrals to the airport than any other source. The airport is in the final stages of negotiations for a new route.
- CCTC is leading a campaign to purpose a larger budget in grant funding from Visit CA to help with recovery.
- Outlook CA registration is happening now.
- VC Crisis Communication Plan is under review for any necessary updates.
- Next Board Meeting will be December 9th.

Public Relations and Social Media: Dani Hannah reported on

- A recap of October activity including 58 domain authority for CarmelCalifornia.com with an 89 Domain authority average based on our October Placements.
- Review of the October placements which included *Travel + Leisure*
- Upcoming Media FAM's include: Jennifer Chan for T & L and Lonely Planet; Amanda Kuehn for 7x7; and Alissa Fitzgerald for Forbes.
- Abbi Agency toured 9 hotel properties during their last visit to the area.

Amanda Rudolph recapped the October Social Media stats. VC gained followers across all channels. There were 4.4Million impressions across all channels. FB and Instagram were the strongest platforms. Abbi Agency is currently working on a master partnering posting schedule. Two representatives are scheduled to be on sight during Culinary Week. Local reach will be the primary target. Abbi Agency will distribute tool kits to restaurants to help boost the SM presence and create a cohesive marketing look and feel.

Marketing and Advertising: Jeff Burghardt reported on

- The Recovery Campaign is a multi-media mix and is digital forward. Digital advertising centers around the messaging "Stay Longer-Explore More". October stats included 20Million impressions and had a CTR that was 4x the industry average.
- TV advertising focused on the San Diego and LA areas for the 6 week fall campaign. Special programming included a segment on CA Live
- Print focuses on a full-page ad in the Hemisphere Magazine. This has a CA oriented focus and has the potential to reach 14 million passengers.
- Eblast was distributed to 75K mailing list and registered a 26.8% open rate.
- Book Direct on the VC website is having a record breaking year. 2017 previously had the largest referrals. At the end of October 2021, book direct is 18% ahead of 2017.
- Expedia conquering from our other comp markets is showing a 7.9% ROI
- Fly Market campaign is being described as a quality or quantity investment. Jeff is referring to this collaboration as a Destination Stewardship. October saw 6.5Million impressions. All stats for this campaign are above industry average. A review of the page performance saw Dallas up 385%, Seattle up 670%, Denver up 552% and Las Vegas up 259%.
- Culinary Week marketing components will include: January 7 Culinary banners will go up on Ocean Ave., check stuffers, flyers, Carmel Culinary Passport, exclusive passports, print ads in Pine Cone and TV partnerships. Google Display Ads will showcase participating restaurants. Carousel Ads will showcase the breadth of the event.

Jeff announced that he and Nicole Dore would be leaving Madden Media at the end of the month to join a new agency, 62 and Above.

Additions to the Agenda: None

Meeting Adjourned at 4:02pm