



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, December 16, 2021

2:30 PM

MINUTES

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

Board Members Absent: Michael LaPier

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, Gregory Carson and Jon Bailey, 62Above; Suzanne Gravelle, CARS (video); Dale Bryne, Carmel Cares and CRA; Carrie Theis, City Council and Hofsas House; Janine Chicourrat (video); Hella Rothwell, Carmel Art Festival; Jenny MacMurdo, Tony Pena, and Heather Malafronte, Carmel Chamber of Commerce and Leadership Carmel.

Rich Pepe called the Meeting to order 2:33pm

Public Comment: Hella Rothwell representing the Carmel Art Festival to be held May 13-15, 2022, announced President, Tammy Tharpe, had passed away. Ellen Wilson and Hella will spearhead the committee in wake of her passing. Hella is requesting marketing dollars- any way VC can help promote the event would be appreciated. CAF is approved for wine in the park.

Minutes: **John Lloyd made a motion to approve the minutes from the November 18, 2021 regular meeting and the Closed Session. Mark Watson seconded the motion. Motion passes unanimously.**

Destination Stewardship: Jenny MacMurdo introduced the two representatives from Leadership Carmel Legacy Project. Tony Pena and Heather Malafronte presented to the Board their current project that they feel is a good fit under our new Destination Stewardship. This project is a landscape improvement project at 1st Murphy House and 1st Murphy Project which includes a walkway of "personalized memory bricks". Proceeds from the purchase of the memory bricks will benefit the Carmel Youth Center. The project is due to commence in mid-June. The individually purchased bricks will be approximately \$200

per brick. Leadership Carmel is hoping to raise \$100K to get the project started including materials, labor and permitting with overall costs expected to be between \$200K-\$300K. Leadership Carmel is hoping to finance the project through sponsorships which they hope would include VC. Website and Marketing for this project is under construction. A local marketing firm is helping to put out the promotional material to garner support for the project. Mark Watson and Amy Herzog are currently working on a Grant Form for the Destination Stewardship Program to distribute the allocated funds.

Climate Change and Tourism: Carrie Theis reported that City Council has formed an Ad Hoc Committee to address the deterioration of the southern part of Carmel's beach, the effects of Climate Change on our City assets and how do we mitigate those effects to preserve future tourism. A review of a Monterey County study showed sea levels are expected to rise 5ft by 2100 and the effects that would have on our current coastline. The discussion needs to include how Carmel would market itself if there is no beach at certain times of the year. The committee is working to provide various studies including: reinforcing dedicated beach areas, power outages and heat waves that impact businesses, and how the evolving State policies affect VC stakeholders. A final report is expected Fall of 2022.

Proposed Change to Room Reimbursement Policy: VC temporarily raised the minimum room reimbursement from \$150 to \$250 some months back. The Board is being asked to make that increase permanent. **Chip Rerig made a motion to update the maximum room reimbursement to \$250. John Lloyd seconded the motion.** Motion passes unanimously.

Executive Directors Report: Amy Herzog reported

- VC marketing firm change has been confirmed. Board Member packets have been distributed and signed forms have been returned. EIDL loan was paid off on December 15, 2021. VC paid out \$5,718.00 in interest. Total paid to close out loan was \$155,718.00
- Stakeholder communication focusing on Culinary Week. RID updates include the addition of Barmel and The Links Club. There are 4 upcoming new restaurants in CBTS including: Carmel Burger Bar, Nicolas, Chez Noir and Foray. Pangaea Grill and Anton & Michel are under new ownership.
- VC Board needs to appoint a one year term for the RID committee. Amy recommended approving the slate. **Mary Crowe made a motion to approve the current members of the RID committee for a one year term. John Lloyd seconded the motion.** Motion passes unanimously.
- Culinary Week's Kick Off Party has been moved to the Plaza. January 14th from 3-5pm. Tickets are \$45, 15 wineries and 10 restaurants are scheduled to participate. VC will hold back 50 tickets to sell at the door.
- Review of the MCCVB marketing highlights.
- Upcoming Board Meetings will be 2nd Thursday of every month continuing the hybrid gathering format. The July meeting will be held at La Playa.

Public Relations and Social Media: Dani Hannah reported on

- PR recap for November highlighting the new format.
- Liz Bowling will be attending the Travel Media / MM in NYC in January 2022 representing the destination which will have a national as well as international focus.
- CBTS had 10 media placements in November. Reviewed key FAM hostings.
- In January VC will host 2 journalists during Culinary Week.

Trevor Birba and Angela Rudolph reported on Social Media activity

- VC gained followers across all channels. Changes have been made to Instagram and FB as a result engagement was down in November. Q4 is traditionally slower for businesses.
- A review of trends and competitor set showed our rate of growth is higher. Abbi Agency plans to focus on boosting only the natural aspects of the location, continue to tweak content for best engagement and focus on our pillars.

Marketing and Advertising: Jeff Burghardt reported on

- A year-end review of the statistics. A highlight showed web referrals were 23.5% higher than our last biggest year which was in 2017. ROI on our book direct focus is estimated at \$4.07 million. Prospecting is a big part of our budget with a CTR of .44% which is 4X above industry average. Remarketing is strong with a CTR of .50% 5X the industry average. TV advertising stats show 3.2 million impressions.
- In 1st QTR drive market reigns supreme. The plan is to ease into 2022 to observe the virus trends.
- Fly Market campaign is all prospecting reporting a .94% CTR 9X above the industry average.
- Culinary Week banners are going up January 7. Hotels will get the marketing material the first week of January. Restaurants need to get their content to VC to effectively market the Week. Pins are in the works to help identify brand ambassadors including restaurants, staff and Board members. KSBW is matching marketing advertising dollars as well as running digital carousel ads.
- Plans are in the works to refresh RID campaigns in 2022.
- Plans to begin developing the brand for Destination Stewardship Program are underway including marketing to the conscious traveler, eco-friendly, community oriented namely Gen Z.

Discussion followed regarding the ever-changing virus climate. The Board agreed to reduce the current airport campaign by half till the airport funding for 2022 is committed.

Financial Report: Mark Watson reported on the November activity

- \$889K in the bank, total equity is \$739K with the repayment of the EIDL loan.
- New fiscal year income includes \$83K from the RID, \$89K was budgeted. There are still 6 non-paying stakeholders approximately 13% of the budget.
- Destination Stewardship grants have not been distributed. VC is working on a granting process.
- \$128K in expenses on target for the month but slightly under YTD.

Additions to the Agenda: None

Meeting Adjourned at 4:05pm