



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS MEETING

VIA VIDEO CONFERENCE

Carmel-by-the-Sea, CA 93921

Thursday, June 10, 2021

2:30 PM

MINUTES

Board Members Present: Mary Crowe, Chip Rerig, Rich Pepe, Ken Spilfogel, John Lloyd, Mark Watson

Board Members Absent: Chris Whitman, Pamela Sheppard

Also in Attendance: Amy Herzog, Visit Carmel Executive Director; Ashley Brune, Abbi Agency; Jeff Burghardt, Nicole Dore and Bryan Tracey, Madden Media; Suzanne Gravelle, Tim Twomey, Carmel Residents Asso. (CRA); Janine Chicourrat, MCHA and Carmel Residents Asso.; Jenny MacMurdo, Carmel Chamber of Commerce; Jo Todd, Resident

Rich Pepe called the Meeting to order 2:32pm

Public Comment: Ken Spilfogel announced the restaurant community is looking for ways to contribute to the community. They are getting funding together and recruiting people to help with beautification projects around CBTS.

Minutes: **John Lloyd made a motion to approve the minutes from May 13, 2021. Chip Rerig seconded the motion.** Motion passes unanimously.

Revised 2021 Budget: Mark Watson reported that things are turning around faster than previously projected back in December 2020. Yellow highlighted areas of the proposed budget are changes. July and October 2021 show slight increase in funds from the City which is now \$25,200. The anticipated revenue for 2021 now is \$1.325M up from just over \$1M. Mark feels this is still slightly conservative. On the expense side, the Board approved additional funding for Fly Market promotions which includes \$10K per month for six months. \$1500 per month has been added to the Madden retainer to manage this Fly Market campaign. The new Executive Directors' contract has increased the administration fee going forward. Overall, the anticipated expenses will go from \$926K to just over \$1M. VC overall cash flow will improve from \$484K to \$644K to start the 2022 calendar year.

Amy Herzog instructed the Board that a vote was needed to adopt the 2021 Budget. **John Lloyd made a motion to accept the revised 2021 budget as presented by Mark Watson, Chip Rerig seconded the motion. Motion passes unanimously.**

Executive Director's Report: Amy Herzog reported:

- 2020 Tax Return for VC has been filed. The new Executive Directors Contract has been signed. The Wine Walk licensing agreement with the Carmel Chamber has been signed.
- The administrative contract between the City of Carmel and VC is in place which allows VC to manage the City's marketing budget for 3 years. The 2021-2022 budget is \$100,800.
- Stakeholder Communication includes the Eblast with activity updates. Amy was guest on "Shagbag" discussing the role VC plays in the community.
- Collateral Material for the Wine Walk has been produced. 11 out of the 18 tasting rooms are planning to participate. A soft launch is underway to give wine rooms time to train staff. VC is planning to distribute tools to the hotels to help promote the new Wine Walk.
- VC is getting ready to reprint the Tear Maps.
- Events on the Peninsula are starting to come back. Car Week in August, Bach Festival 10/23-11/5/21, Culinary Week January 14-23, Meet the Makers 10/9, AT&T Pro Am 1/31-2/6/22 and Gourmet Fest 3/3-3/6/22. Amy asked the Board for direction as far as continuing our partnership with the MC Vintners and Growers Asso. for the Meet the Makers Event. The Board was unanimously in favor. Amy also let the Board know that Culinary Week will be the same format as last time.
- Amy asked that the banners be removed from Ocean Ave. They are tired looking and out dated. She suggested the Board consider funding a new set of banners that provided a responsible, welcoming visitor message. The Board again was unanimously in favor of creating new banners with a #LoveCarmelLikeALocal theme.
- Airport update – name change discussion has been tabled for the time being. Redirected the efforts directly with the airlines by updating the descriptive names used for searches that includes Carmel. There is high interest for a cooperative comprehensive fly market campaign. VC asked the airport to match funds at \$50K. The airport has added that to their budget that has not yet been approved.
- VC is in collaboration with the MCCVB to update the mask guidance. MCCVB participated in a national news broadcast that featured Monterey. It focused on the difficulty our industry is having filling jobs as the tourist season officially opens.
- Visit CA is still waiting to see if CA is going to approve the \$95M stimulus initiative proposed for CA travel. Budget is due to be approved July 1, 2021. Surveys show that Californians are ready to travel but destinations are concerned about readiness. June 28, 2021 Visit CA will have a tourism update conference.
- July, VC is scheduled to resume in person board meetings. Madden Media and Abbi Agency are scheduled to both have in person representatives. The meeting in July 8 at the La Playa Hotel. There will be no August Board meeting.

Marketing and Advertising: Jeff reported:

- Hotel Web Referral traffic saw May at an all-time high with \$24K users. Website traffic saw double digit growth. Sessions saw 20% growth. Paid Digital ads are driving 42% of web traffic.
- VC continues to have an active Media Mix campaign. Mid-week ads are key. The Expedia campaign saw an increase in ROA's from \$6.1 to \$8.7. The Geo-targeted ads have ended right now but will pick back up in the fall. The Board discussed the possibility of shifting more of the budget to Hotels.com vs Expedia based on the spring stats.

- On the Fly Market Strategy. Madden on behalf of VC presented the Airport Board with a proposed 50/50 split for the new campaign. Mike, from the Monterey Airport, is requesting additional information from VC to make the pitch to his Board. JSX sweepstakes, packages and deals is coming together. A landing page has been created on the VC website to promote the new flight. The sweepstakes will be a short two week run at the end of June. All hotels are welcome to participate in the packages.
- Wine Walk is now live on the website. The pass is available for download. The pass gives exclusive offers for pass holders.
- Photoshoot in and around town continues to enhance image library.
- There is a new page live on the VC website "New Tours and Experiences" and the Tasting Rooms page has been updated. It is now more robust with consistent photography. The Takeout and Dining Guide page will remain live but the focus has shifted to more restaurant specifics.
- RID marketing continues with its digital marketing campaign with rotating images. The budget for this campaign is a 60% regional focus /40% drive market geo target focus. We continue to see strong engagement with this campaign.

Public Relations and Social Media: Ashely Brune sent the PR report out in advance of today's meeting for Board Review. Ashley gave the following highlights:

- May had good media coverage including 2 Listicles on MSN; 2019 Fall media FAM finally produced some good coverage including LGBTQ Magazine article, Seattle Lesbian and Girls That Roam and the Bay Area Reporter.
- Visit CA produced a piece on CBTS art scene
- Upcoming FAM include Nora Tarte from the San Joaquin Magazine date TBD
- Social Media did see a 30% drop from last month but engagement is still higher than 2019 and 2020 for the same period.
- May hosted 2 influencers. Seattle based Allison Anderson is credited with bringing 168 new followers in just 3 days. Preethi Chandraseksar aka the EagerTraveler out of the Bay Area is credited with bringing in 244 new followers in just a 2-day posting window.

Financial Report: Mark reported that we currently have \$428K in the bank at the end of May. We are \$4K ahead in revenue YTD. PR is \$2100 under budget YTD and Marketing is \$97K under budget YTD. Admin is just slightly under budget for the month as well as YTD. Total expenses as of the end of May are \$106K under for the year; our cash is \$109K higher than budgeted. According to Mark, our outlook is very positive and just a reminder that next month's reporting will reflect the 2% increase in the HID tax.

Additions to the Agenda: None

Meeting Adjourned at 3:53pm