



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS MEETING

At Sunset Center and Via zoom

Carmel-by-the-Sea, CA 93921

Thursday, June 9, 2022

2:30 PM

MINUTES

Board Members Present: Rich Pepe, Chip Rerig (on zoom), Mary Crowe, Mark Watson, Candace Fecteau (on zoom), Pamela Sheppard, Michael LaPier, Carrie Theis

Board Members Absent: John Lloyd, Greg Ahn, Chris Whitman

Also in Attendance: Amy Herzog, Visit Carmel Executive Director; Tim Twomey, CRA; Dani Hannah (virtual), Liz Bowling (virtual), and Angela Rudolph (virtual), all from The Abbi Agency; Jeff Burghardt (virtual), Nicole Dore and Bryan Tracey (Virtual), all from 62Above; Ken Spilfogel, Flaherty's (virtual); Jody Hansen and Lynne Allenspach, Carmel Chamber of Commerce; Hella Rockwell (virtual) and Ellen Wilson, Carmel Art Festival; Suzanne Gravelle, CARS (virtual); Dr. Paige Viren, CSUMB; Danielle Price, Comcast.

Pam Sheppard (acting Chair) called the Meeting to order at 2:33 pm.

Public Comment:

- Tim Twomey wanted to thank the board for its dedication to responsible tourism in Carmel.
- Ellen Wilson wanted to update the board regarding the Carmel Arts Festival. It was their most successful year to date, with a brief description of what it looks like moving forward.
- Amy wanted to send well wishes to Ken Spilfogel.

Minutes: ***Motion to approve*** minutes from May 12, 2022.

- Motion Mark Watson
- Seconded by Rich Pepe
- Motion approved unanimously

Budget and Financial Report :

- Mark Watson reviewed recent adjustments to the budget.
- An account is created to hold approximately 11% of revenues in reserve. (\$208,781 for 2022-23)
- The resolution was read in full.
- The Reserve fund is based on projected revenue set at the beginning of the fiscal year.
- Discussions regarding the reasoning behind fixed vs. percentage amount, and location of funds.
 - Motion made by Chip Rerig for the adoption of the resolution, second by Rich Pepe
 - Roll call held for vote: Motion unanimously passed

- Budget discussion continued
- PR new opportunities \$62,500 – discussion pushed to next meeting.
- PR and Marketing amounts are slightly reclassified based on changes with agencies over the past year.
- Marketing Co-op change (this is the Fly Market campaign). Showing \$0 for this line item. Still invested in this initiative, but it is no longer a co-op. Funds moved to digital media.
- Destination Stewardship – Money is allocated but it is still not determined where those funds will be applied. Call for a bigger discussion to make these decisions.
- We are expecting to start with ~ \$900,000, and have budgeted to spend about 78% of our surplus, which then projects that we would end the fiscal year with about \$1.1M.
- Mark feels this is a conservative budget and takes into account the possibility of a recession.
- Chip Rerig Motion made to approve 22-23 budget as presented, seconded by Rich Pepe.
 - Passed unanimously
- Financial Report presented – Indicating a healthy financial standing

Executive Director's Report: Amy Herzog provided the Executive Director report

- Destination Stewardship – efforts to increase awareness of being a good steward for visitors. Updated all printed materials with appropriate language.
- CRID – Great meeting with Restaurants. Discussions about Carmel Culinary Brand and its future.
 - Discussions about Culinary events mission and event dates. Possible new dates in June.
 - Benefits are numerous if pushed to post-Memorial Day.
- Stakeholder communications
 - Updated the fitness studios, spas, and salons on website
 - Productive meeting with Carmel Mission
 - Two new tasting rooms have signed onto Carmel Wine Walk, bringing it to 13 total
 - Two new restaurants have opened and been provided info for CRID
- Airport Updates
 - Second DEN flights began June 2
 - 92% load factor
 - Possible Reno/Tahoe direct flight in Q3
 - Potential interest from Canada for MRY flights (Western)
 - Mike La Pier added in some info about pilot challenges and other trends. The fact that we are an “experience market” is working well for us. We don’t have enough seats to meet demand right now based on demographic trends especially.
- July 14 Board Meeting at La Playa or Hotel Carmel (TBA)
- Plan to skip September meeting – may be adjusted if needed.

Marketing and Advertising: Jeff Burghardt, Nicole Dore, and Bryan Tracey reported:

- “A Work of Art” – the campaign continues with updates and animation
- Monthly e-blast shows insights on what recipients are interested in
- Performance includes TV advertising – a total of 278 spots 6-week campaign for more than 10M impressions and also promoted Carmel Art Festival
- 41% of traffic into the website is direct from digital paid media
- Hotel referral traffic showing first slow down in May – still way above norms
- Video series of “A Work of Art” – still being developed, a series of 8 shorts highlighting our pillars (Culinary, art, village, wine, etc.)

- Love Carmel Like a Local – performance is good. Age and gender responds to different images. Women way more engagement across the different images, except for the female surfer which seemed to really capture the attention of the men.
- Destination Stewardship – Keep Carmel a Work of Art / Be Kind to Carmel are up as possible tags for this new brand.
- Fly market campaign showing 9X industry benchmark CTR, with Phoenix and Seattle performing most strongly.
- Impressive KPI from Fly Market Campaign – discussion of the metrics in comparison
 - Current metrics, plus Mark had done some calculations based on his own bookings and extrapolated. Mike also provided some stats that indicate the effort drove new traffic to the region.
 - Current performance - Bryan worked on a potential conversion formula for the fly market campaign and estimates ROI at 252%. Further discussion found that number to be low b/c ADR is up and fly market stays longer. Mark's data indicates 2.42 room nights from the fly market, so at least a 4.26 ROI.
 - Planning - discussion regarding continuing campaign year-round. Jeff reminded all that the huge majority of guest data does still come from our drive market. Pam feels strongly that we should continue year-round in fly markets at least on some level. Pepe pointed out that capacity is an issue, but also supports continuing the investment. The group would like the airport to come back into the co-op financially. Mike suggests we leverage marketing dollars with the carriers.
 - Pam made motion to continue with advertising in the fly markets and Amy to meet separately with Mike to create a more specific strategy. Mary (and Pepe) seconded.
- **Near** – Custom Audience Targeting and Tracking
 - Where are people coming from/what are they doing/who are they?
 - Can use data to create custom audiences
 - Should be a larger discussion regarding the budget – need to receive a proposal
- Nicole updated on the recent wine walk and RID photography
- Bryan presented a recap of the RID advertising which has 9% CTR (9x avg)
- Jeff presented plans for a website redesign, which will be more mobile friendly b/c our web visitors are now 62% on mobile devices.
- Media and marketing plan – presented for reference

Public Relations and Social Media: Dani Hannah

- Two themes:
 - An Artist Haven
 - Carmel by the Sea – An Architectural Dream
- Texas Monthly - published
- FAM discussed – the story in late August (Texas Lifestyle Magazine)
- 5 media placements - 4 regional 1 national
- Haute living San Francisco
- Jefferson Graham resulted is two placements
- US News – 30 best dog friendly beaches
- Looking ahead – Culinary focused, pitching new restaurants and recipe blog post from La Balena
- Angela Rudolph presented on social media –
 - May great performing Month. Lots of reels (short form videos)
 - New content collected

- June will focus on Culinary and Responsible Travel
- Family Sports and Activities
- Short Form Video
- Coastal Grandmother influencer - Instagram Engagement Contest tied in with Mother's Day. Great performing. 6,245 likes and 101 comments.
- Link in BIO – Please explore
- Officially on TikTok
- Gained 470 new followers in May.

Additions to the Agenda:

No additions except Rich Pepe's request that additional documentation make it to board members as early as possible.

Meeting Adjourned at 4:51 PM