



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)
VISIT CARMEL
BOARD OF DIRECTORS REGULAR MEETING
At Sunset Center and via Zoom
Carmel-by-the-Sea, CA 93921
Thursday, June 15, 2023
2:30 PM

MINUTES

Board Members Present:

Mark Watson, Inns-by-the-Sea; Pam Sheppard, Horizon Inn; Chip Rerig, City of Carmel; Candace Fecteau, Tradewinds Inn/The Stilwell; Rich Pepe, Pepe International; Mary Crowe, La Playa/Hotel Carmel; Carrie Theis, Hofsas House; Amy Herzog, Executive Director.

Also in Attendance:

Jeff Burghardt and Nicole Dore, Visit Carmel; Dani Hannah and Ty Whitaker, The Abbi Agency; Suzanne Gravell, Carmel Area Reservations; Philip Studer, Beachwood Home; Sygale Lomas, David Lyng Real Estate; Lance Wills, CCC; Ken Spilfogel, Flaherty's; Tim Twomey, CRA; Ashlee Wright, City of Carmel; J.P. Rollet, La Playa Hotel; Nancy Dayton, Resident; Shirley Moon, Resident; Dale Byrne, resident; Kimberlie Guerrieri, CCC; Margaret Byrne, resident.

Board Members Absent: Chris Whitman, Pali Society; Greg Ahn, Folktale; Michael LaPier, Monterey Airport.

Pam Sheppard called the Meeting to order at 2:35 pm.

Public Comment: Public comment made by Dale Byrne re: Visit Carmel's efforts to market responsibly specifically in market. A discussion among Dale and Board members followed. Agreement to meet outside of the Scheduled Board Meeting.

Additionally, Philip Studer inquired about sales in market and what other businesses were seeing this Spring.

Minutes: Motion to approve Carrie Theis, seconded by Mark Watson, passed unanimously.

Closed session report:

Visit Carmel agreed to renew The Abbi Agency contract for an additional 12-month period. Additionally, the review for Amy Herzog was performed. One amendment added which allows for the Executive Director to bind contracts up to \$10,000 given the nature of what Visit Carmel is doing moving forward.

Financial Report:

- New accounts highlighted – in the process of moving accounts to Pinnacle. The Wells Fargo accounts will be removed once all accounts have migrated.
- Balance on the books \$1,440,910.87
- **Operating statement**
 - Revenue \$1.3 M collected with a budget of \$1.4 M. This indicates a slowdown in hotel traffic. On the other side, Restaurant funding came in higher than budgeted.
- **Expenses**
 - Marketing - still playing catch up with these expenses. In some part due to bad conditions early in the year.
- \$94K ahead of budget regarding cash flow

FY 23-24 Budget:

- HID revenue projection Method
 - 12 years prior to pandemic amounts to 4.7% growth per year
 - Discarded 20, 21, 22
 - Discounted results by 5% to be conservative in approach.
- RID projection method – historical relationship consistent with TOT – averages about 3%
- \$120K partnership from City of Carmel passed.

Budgeting \$7.6M TOT - 5% lower than LY

Projecting \$2.4 M revenue budget

Increasing Special Event budget based in part on feedback and expectations for Culinary Week.

Marketing Clarification for Budget:

Brief overview of Marketing objectives from Awareness through Inspiration, Consideration, and Sustainability – with intent to attract new visitors, increasing midweek and longer stays, and providing something for them while in market to encourage return.

Marketing Budget at \$1,527,042, showing an increase from LY \$1,151,244.

- Update Brand Image with New Video & Photography - 52% increase
- Increase Brand awareness with Expand TV & CTV Media – 36% increase
- Increase Overnights and LOS with Increase Digital Media – 25% increase
- New opportunities – TBD - 3627% increase

2023 YTD results

- Website traffic up 14%
- Web referrals to direct bookings at hotels up slightly for April – May
- Digital ad traffic accounts for 48% of web visits

PR Clarification for Budget:

Dani Hannah provided brief overview of budget ideas:

Year in review included:

- 89 media placements
- 11 M views
- 71 average domain score
- Increase of 20% in impressions
- 23% increase in engagements
- 16 % increase in followers
- Proposed Increase Social Media retainer by \$500 / month
- Propose increase for Monthly boosting budget to \$866 per month (160% increase)
- Additional funds for media event attendance – increase of approximately 211% YOY
- Best Kept Carmel – want to increase spending for BKC content with new visits
- Coordinate up to 12 media trips per FY
- 25% increase of FAM Trips
- Coordinate 5 content creator partnership (5 total trips)
- Curated Media Packages sent to a targeted list of journalists surrounding specific marquee events. Encourages journalists to craft larger scale storylines.

These recommendations showing total 30% increase over this year Budget \$244,0303 to \$316,480

Discussion regarding reporting for next year to show growth from marketing efforts

There will be a mid-year budget review

Mark Watson made the **Motion** to approve Budget with a stipulation that the indicated corrections to cash balance will be made, seconded by Rich Pepe. Passed unanimously.

Reimbursement resolution

This resolution allows for a specific amount of money to be spent with our stakeholder hotels. In 2017 Restaurants were added to this resolution. Proposal to remove \$250 restriction replacing it with “best or current rate.” It is also proposed that \$2500 maximum amount be updated to \$5000 per transaction.

Roll Call for approval of updated resolution:

Carrie Theis made a motion to approve, Pamela Sheppard seconded

Rich Pepe – Aye

Mark Watson - Aye

Candace Fecteau - Aye

Carrie Theis- Aye

Mary Crowe- Aye

Chip (left meeting early), Greg and Chris abstained due to absence.

Executive Director Report: Amy Herzog reported:

Community Relations

Working with Carmel Mission on a self-guided tour of road trip to CA missions by Oregon-CA Trails Association.

Met with CRA leadership earlier this week. Set a date for presentation for CRA on July 10.
Carmel Chamber meeting set for June 27 to understand goals and explore areas of collaboration.

Stakeholder communications

- Eblasts
- Carmel Culinary Week
- Destination website refresh
- Renovated hotels opening
- National PR – Accolades Conde Nast, Travel + Leisure, and Forbes

Le Petit Palis - July 1 opening

Cantinetta Luca – sold to new owners. Chef Jason Balestrieri

The Annex at 7th and Dolores wine bar - open

Hanagasa closed

CRID Renewal Update

- Management District plan finalized ✓
- Petitions submitted ✓
- Resolution of intent to renew passed ✓
- June 6 City Council meeting public hearing ✓
- July 11 City Council meeting – Resolution of Formation
- Jan 1, 2024 – new 9.5 year term begins at the same .25% assessment rate

Carmel Culinary Week Update

- 31 Restaurants participated
- Kick off party – 17 restaurants and 8 wineries participated
- 285 tickets sold
- \$15,000 in gross sales
- Restaurants/guests positive feedback

Village Wide Participation

- Forest Theater Movie night
- Ted Allen at Sunset Center
- Winemakers – sold out prior to event start

Other Culinary experiences

- Stationary Dinner – Sold out
- Café Luna Potstickers class – sold out
- La Balena two events – sold out
- Pub Crawl - 12 tickets
- Flaherty's – 100 oyster specials sold

CCW Debrief being conducted

Destination Stewardship

- Regenerative Monterey – County-wide initiative
- Visit California's Regional Tourism Strategic Plans – Amy Herzog will be on Regional Steering Committee.

Airport update

- Alaska Air meeting – Jeff and Amy to follow up
- Cooperative partnership with intelligence data rollout

Timeline / Advance Planning

- July 13 Board of Directors meeting at La Playa
- New Fiscal Year
- Firm up 23 – 24 marketing plans
- CRID renewal approved July 11

Upcoming projects

- Reprint of tear map
- Car Week Communications Management
- Wine Walk Tasting Room renewals and planning
- Start on Annual Report and Marketing Plan

Discussion about management of Car Week - Insights provided by Ashlee Wright regarding difficulties with organizing events and current status for this year

Marketing Update**Culinary Week**

- Culinary Week Digital and TV media as well as Print and Direct
- Responsive Website Traffic – Culinary Week dominated
- TV Segments – NBC special upcoming events
- Live TV segment – Crazy for Cioppino (Bashar Al Sneeh – Catch)
- TV commercials

Google Ad Performance for Culinary Week Campaign average .28 (compared to .10)

Meta Ad performance – 311,636 engagements

Social Videos – Almost Real-time (this is what's happening now)

Walkabout video

Pub Crawl video

Partner Promos

Fly Market

Above industry average for CTR rates increased engagements in all

Metro markets are becoming stronger SEA, DFW, PHX, San Diego, DEN

Spring Campaign

Showing good performance in all areas

Other projects

- Website Launch
- Brand Research - Resident survey
- Digital Media Partners – Shifting to Madden Media

- Art Walk collaboration – Align with “Meet the Makers”

PR/Social Media Update:

Culinary Week pushed before as well as in market

Features from March through June all performed very well.
Top stories – Kick off Party and Winemakers Celebration.

Culinary Week Deliverables resulted in 9 media placements:

- Local regional press release
- Ongoing pitching efforts long lead
- Media Calendar Submission
- One FAM
- Social Media support
- Facebook event management
- One See Monterey Blog
- Radio Interview coordination

Reporting on May general PR:

- Overarching culinary messaging
- Curated Experiences
- 11 media placements

June, the agency is continuing **overarching culinary messaging** as Carmel Culinary Week wraps up. July’s pitch messaging will include unique, **curated experiences** in the one-square-mile village while also beginning **outreach for secret season**.

Social Media overview up in all areas.

Comparing May 2023 M-o-M:

- Instagram Impressions: + **71.8%**
- Facebook Impressions: + **9.8%**
- TikTok net audience growth: + **74%**

Social Care update - Keeping up with social care specifically helps to increase engagement, impressions and brand awareness as well as keeps our followers engaged with the content.

High-level metrics for social care in May:

- **Messages Received:** 895
- **Average Response Time:** 1.5 Days

Additions to Agenda:

No additions

Pam Sheppard adjourned Open Session meeting at 4:35 pm.