



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS REGULAR MEETING

Sunset Center and on Zoom

Carmel-by-the-Sea, CA 93921

Thursday, December 19, 2024

2:30 PM

MINUTES

BOARD MEMBERS PRESENT:

Pam Sheppard, Horizon Inn and OVL, Mark Watson, Inns-by-the-Sea; Carrie Theis, Hofsas House; Amy Herzog, Executive Director; Candace Fecteau, Stilwell Hotels; Chip Rerig, City of Carmel; Mary Crowe, La Playa; Rich Pepe, Pepe International (virtual); Greg Ahn (virtual), Folktales; Mark Stilwell (virtual), Stilwell Hotels; Michael La Pier, Monterey Airport.

ALSO IN ATTENDANCE:

Jeff Burghardt & Nicole Dore, Visit Carmel; Brittany Bober, The Abbi Agency (virtual); Ty Whitaker, The Abbi Agency (virtual); Suzanne Gravelle, CARS; Bob Delves, City Council; Annelise Nussbacher, Sunset Center; Ken Spilfogel, Flaherty's.

Pam Watson, Chair, called the Meeting to order at 2:30 pm.

PUBLIC COMMENT:

Annelise introduced herself and discussed some upcoming Sunset Center performances.

MINUTES:

Mark Watson made a motion to accept the minutes from November 21, 2024. Carrie Theis seconded. Motion passed unanimously.

FINANCIAL REPORT:

Presented by Mark Watson.

Balance Sheet

Revenue \$138,260 up \$10K from Budget. This includes other income (contributions) instead of crediting expenses. Slightly better than expected from Budget.

- \$98K ahead on revenue YTD
- PR down \$28K to budget YTD – timing
- Marketing \$10K down to budget YTD
- Sales about \$3K over budget YTD
- Admin on track about \$3K under YTD

\$135K over budget YTD. \$1.2 M in account.

Comp Set

- Carmel up 2% RevPAR – Santa Barbara up everyone else down (Monterey down 9%)
- 75% occupancy - 3% decrease YOY in occupancy (Monterey down 2%)
- ADR up 5% YOY to \$390– new hotels coming back online (Monterey down 7%)
- We have 14.3% share of comp set

General discussion regarding occupancy percentages in Carmel. Overall, Carmel is in better position than most of the comp set.

EXECUTIVE DIRECTOR REPORT

Welcome to new and returning Board members. Reminder that we follow Brown Act requirements. All meetings are subject to the Brown Act including public notice, agenda requirements, no unlisted discussions, and public access. Brown act training will be forwarded to Board members for reference.

20204 Highlights

- Enhanced Events
 - Culinary Week – increased attendance and participation
 - Wine Walk – re done and is very seamless
 - Car Week – evolving still – added concours for a Cause
 - KQED's – Check please hosting
- Partnerships
 - Carmel Chamber – Visit Carmel funding and partnership
 - Carmel Residents Association – rep on board
 - MRY regional airport – continued great relationship
 - Annual Meeting January – resurrected after several years
 - Innkeeper Dinner in November– resurrected after several years
 - La Playa Grand re-opening
- Economically
 - Record setting TOT
 - Record High ADR
 - Healthy Visit Carmel Budget
 - Full re-opening of hotel inventory
 - More full-service restaurants than ever before

2025 Areas of focus

- Marketing – Full mid-year meeting on January 17th to refocus for remainder of year
- Events – Carmel Culinary week – Revitalization
- Community Relations, stakeholders and partnerships
 - Building with new city council
 - MRY – pursuing Chicago flight initiation
 - MCVGA and Santa Lucia wine Artisans
 - Redefining Chamber and VC partnership
 - Expand on Destination Stewardship
- Organization Strength
 - Evolving the company - transition to employee based
 - PR/Social media RFP
 - Attending Visit California Outlook in March
- Stakeholder Communication - Nov E-Blast
 - New creative assets
 - Winter campaign
 - Media Coverage
 - Awards
 - Holiday Events

- Svendsgaard's Inn closed for renovation
- La Balena Closing
- New Creperie, Cold Pressed Juice and coffee shop in town (Not CRID)
- Stakeholder Relations – Annual Meeting
 - City Council and staff leaders
 - All visitor serving business stakeholders
 - Open to community
 - Add in Pine Cone
 - Hour presentation
 - Followed by refreshments

New PR and Partnership Opportunities

- May 1st – California Wine Institute – Non-profit wine advocacy for international journalists
- May 27 – 30 – Cal Presenters statewide organization committed to advancing professional touring and presenting of the performing arts. Will be held at Sunset Center

DESTINATION STEWARDSHIP UPDATE

- Task Force made up of Visit Carmel, Chamber of Commerce, CRA, CSUMB and the City of Carmel.
 - Vision is a commitment to promote safe, responsible and respectful travel.
 - Looking at how we maximize the long-term viability of Carmel Tourism economy while ensuring positivity for the community.
 - Following the CRID and CHID management district plans, essentially marketing for the benefit of the assessed businesses. We are a marketing organization not a granting agency.

Looking at the next steps for 2025

- More and continued outreach/partnership with community leaders
- Implement a thoughtful retail program
- Partner with Chamber and CSUMB students in sustainable hospitality majors on and Ambassador Program
- Continue to implement digital media for possible refocusing language
- Retire the Ocean Ave banners for the moment

Upcoming meetings

January 16 – Annual Meeting at La Playa

January 6 Social media RFP release – Mary Crowe volunteered for ad hoc selection committee.

Participation of one more member requested

February Feb 18th – Selections for presentations to VC Board

Feb 20 – Regular Board Meeting

March 10 – PR Agency presentations during the week

March 20 - Final decisions

- Brief discussion of marketing focus on overnight stays
- Brief discussion on student involvement from CSUMB

PUBLIC RELATIONS UPDATE:

Brittany Bober and Taylor Stewart presented:

November Recap

Messaging included the holidays and upcoming FAMs
Pitched Carmel for rapid response query's

6 media placements – 5 national
Domain authority 75 average
1.1 M coverage views
1.2 249 M reached

Conde Nast – Why Carmel Suddenly is Cool
SF Chronicle - Festive Holiday Traditions
Johnny Jet – Give the gift of food and wine this Holiday Season
Hotels Above Par – 5 Best Mother and Daughter Vacations

Influencer collaborators

Lauren Harano – Hotels Above Par
Clair Stern Milch – Elle – visit Q1

Emma Grace – influencer for Skip-Gen travelers Nov 7.- 10. 332K impressions/ 12% engagement

- Social Media performance
- 8.1M impressions
- 8.18% engagement rate
- 2620 audience growth

Engagements in Facebook/Instagram up
Shift in trends – following based on demographic providing good results
Trending reel top in Instagram engagement rates between 13 to 17% very good returns
TikTok still being refined based on results

MARKETING UPDATE:

Jeff Burghardt presented the marketing update.

2024 Record Breaking results

- Web traffic up 23.6 % YOY
- Users over 100K per month
- Broke 1M mark for users
- Hotel Landing page up 47%
- Newsletter – up 155% with an opt in rate 7.02%
- Restaurant landing page up 302% YOY
- Wine Walk landing page up 573%
- Culinary Week landing page 194%
- Meet the Makers landing up 73%
- All webpages up over 100%
- TOT tax 25.5% YOY for Period

Destination Marketing

Focus on RevPAR not Occupancy.

Sell fewer rooms with a higher rate is ultimate goal for hotels

Looking at the whole, RID does better with higher occupancy, but value for hotels is in RevPAR

Storybook Campaign

New Video and Photo Assets

Campaign Theme – Storybook Kind of Place

Positioning – As California's Coastal Gem

Regional Strategy – Crown Jewel of Monterey County (focusing on activities around the Monterey Peninsula to increase length of stay)

Call to Action – Stay Longer and Book Direct

New Content highlighted – Social/Print

Digital Media Mix outlined

80% marketing budget hits media – listed outlets

MNTN TV continues to provide great results

1.1 M households reached 2024

10M commercials aired

New Marketing Video shown

Fly Market Campaign

Improvements in Social Media Traffic up for all destinations between 174% to Denver at 409% up YOY

Culinary Week

Starting earlier for promotion

Planning well underway

Discussion w/Good Roots involved for events during Culinary Week

Kickoff party – May 30

Taste of the Ocean – June 3

Spice of Life – June 4

Culinary Showdown at the Farmers Market - June 5

World of Flavors - June 6

Allows for more buy in by the CRID – per their request – events still pending shareholder involvement.

Discussion of early planning being beneficial for all but particularly for hotel advanced bookings.

Additional Topic - Discussion amongst board members with warning about direct bookings over 3rd party outlets who charge extra fees and consumers get “taken.” Are there possibilities with marketing message regarding this effort to drive direct bookings and warn consumers?

MONTEREY REGIONAL AIRPORT UPDATE:

Mike La Pier presented an update about the Airport and specifically about the construction plans for its Metamorphosis.

Load Factor comparison - Hitting highest load levels since 1992 (high point)

Passenger leakage – Airport of origin

2023 44% to SFO 32 to MRY 24% to SJC

2024 Decreased SFO to 39% with MRY coming up to 40% and SJC at 21%

Direct flight to Chicago

Status still to be determined – on the agenda to make this happen

Master Plan

Enhance Safety

Prepare for future aviation demand

Achieve sustainability goals

Increase self sufficiency

New Terminal metamorphosis outlined

Breaking ground 2025

Net Zero – carbon building

Commitment to local skilled workers

Improved efficiencies

Website to follow along with progress

ADDITIONS TO THE AGENDA:

No additions

Pam Sheppard Adjourned the meeting at 4:10 PM for closed meeting.

REPORTABLE ACTION FROM CLOSED SESSION:

After review of Jeff's performance in his role as Director of Creative, Media and Marketing, the board elected to renew Jeff's contract for an additional 12-month period. Jeff's retainer fee will be increased by \$1,750/month starting in January 2025, and Nicole will continue to provide services on a project basis billed by time.