



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)
VISIT CARMEL
BOARD OF DIRECTORS REGULAR MEETING
Sunset Center, Chapman Room and on Zoom
Carmel-by-the-Sea, CA 93921
Thursday, June 20, 2024
2:30 PM

MINUTES

Board Members Present:

Pam Sheppard, Chairman, Horizon Inn; Mark Watson, Inns-by-the-Sea; Carrie Theis, Hofsas House; Amy Herzog, Executive Director; Candace Fecteau, Tradewinds Inn/Stilwell Hotel; Rich Pepe, Pepe International; Greg Ahn, Folktale/7&D.

Also in Attendance:

Jeff Burghardt & Nicole Dore, Visit Carmel; Brittany Bober & Dani Hannah (virtual), The Abbi Agency; Kenneth Spilfogel, Flaherty Seafood; Manny Espinosa; Tim Twomey, CRA.

Board Members Absent: Chip Rerig, City of Carmel; Mary Crowe, La Playa; Michael La Pier; Monterey Airport.

Pam Sheppard, Chairman, called the Meeting to order at 2:33 pm.

Public Comment:

Christine Sandin, Artistic Director from Sunset Center wanted to announce the Sunset Presents Schedule and the opening for ticket sales on June 21st.

Manny wanted to address Visit Carmel's use of outside contractors and his concerns that not enough local vendors are being utilized. He has requested a list of recent hires and contracts for service.

Rich Pepe and Ken Spilfogel wanted to raise awareness of possible overuse of more restaurants per capita and whether that will become too much of a good thing. Not necessarily the marketing aspect but if there should be a possible cap on dining establishments.

Minutes:

Greg Ahn motioned to accept minutes from May 16, 2024, seconded by Candace Fecteau. Mark Watson abstained. Passed.

Re-elect Chair:

Amy Herzog explained:

Chip Rerig who was to assume role of Chairman beginning July 1, has upon further consideration opted not to serve in this position. It is proposed that we continue this year with Pamela Sheppard in the role of Chair until April 2025.

Motion to continue with Pam made by Carrie, seconded by Greg Ahn. Passed unanimously.

Create Parking Ad Hoc Committee:

Discussion initiated by Chairperson regarding the possibility of forming an Ad Hoc committee to look at the parking issues within Carmel. This would be an educational and fact gathering effort in order to become more familiar with the parking situation in the town limits.

Motion to form Ad Hoc committee made by Mark Watson, seconded by Pam Sheppard. Motion passed with Rich Pepe against and Greg Ahn abstaining.

Volunteers for Ad Hoc committee include Carrie Theis and Pam Sheppard.

FY 24 – 25 Budget:

Mark Watson, treasurer, presented:

Forecasted TOT projection based on historical trends and modified by expected inventory and higher ADR. Interest income slight decline as we are pulling from reserve as well as possible interest rate decreases.

Amy covered expenses highlighting New Opportunities line item which can be adjusted as they are holding dollars for later in the year. Holding these in marketing and PR.

New expense items include: Visitor Center Funding, increase in Executive Director retainer, and possible contracted labor.

Cash flow reserve beginning year with \$1.2 M, projecting to bring that reserve down to \$708K at year end.

Motion to approve budget made by Greg Ahn, seconded by Rich Pepe, passed unanimously.

Executive Director Report:

Updated Projections from Visit California for a softer than expected summer. Projected recovery being pushed to 2025.

- Due in part to outbound US travel growth versus more measured recovery in inbound travel.
- Projecting a -3% change in occupancy

Admin and General Update:

- City Council Budget workshop and meeting
- Renewed 3 year term between Visit Carmel and the City
- Secured \$120,000 contribution from City partner for FY 24-25
- Nominating Committee announced and include Chip Rerig and Greg Ahn
- See Monterey – Strategic Road Map Ad Hoc Committee – Amy Herzog has been asked to join
- CSUMB -Sustainable Hospitality Management Advisory Council – possible hiring a summer intern at 10 hours per week

Q1 Priorities:

- Administrative
 - Chamber and visitor Center collaboration plan
 - Summer intern possibility
 - Annual Report preparation
 - Secure new and support existing flights
 - Nominating Committee
 - Plan a stakeholder dinner/meeting in September
- Marketing
 - Summer campaign and longer stays
 - Audit and clean up website
 - Car well Brochure and Website
 - Fly market co-op campaigns
 - Meet the makers planning
 - Wine walk refresh

Monthly stakeholder eblast sent out

Culinary Week Report:

- 40 participating restaurants (goal was 32)
- Sold out (350 tickets) for kick off party
- 20 restaurants /10 wineries at party
- Farmers market showdown sold out (250 tickets); 5 restaurants participated
- 16 curated menus/14 special offers/15 had own events plus pub crawl

Overall very positive feedback with lots of suggestions for improvements for next year's events. Hotel feedback was minimal but positive.

Upcoming Info and Meetings:

- July 18th meeting at Stilwell Hotel
- August 15th meeting – skip
- September 19 meeting
 - Submit all Board Nominations
 - Set Hotel Stakeholder dinner

Marketing Update:

Jeff Burghardt presented the marketing update for May.

- Record month for visitors to website over 135K
 - Showing mostly toward Culinary Week and restaurants due to Culinary event
- Paid Digital up 57.5 %
- Email clicks doubled (low cost, great sign)
 - Discussed possibility of increasing number of email blasts moving forward

Summer Campaign:

- Increase longer/mid week stays
- Refresh Storybook theme
- Stay competitive with “always on” strategies
- Display ads refresh
 - Cool Carmel – Cool cation
 - Best beach town

Carmel Culinary Week:

- 272K spots ran for Culinary week and summer adds
- NBC live segment broadcast in SF and LA
- NBC California Live added
- 92K to landing page this year over 32K last year
- Stories done for Showdown/Pub Crawl and various shots

Fly Market Campaign:

- Still targeting the major 5 with media mix and geo targeting
 - Seattle
 - Denver
 - Dallas
 - Phoenix
 - San Diego
- Alaska Airlines leadership team will be in town on the 24th of July
- United and American are still possible for Chicago

Ad performance continue over industry averages

Marketing Projects:

- Carmel Car Week Micro site
- New Carmel Wine Walk campaign
- Update and reprint dining guide and tear map
- Update Annual report content
- Fall “secret season” and “harvest” campaigns
- Website audit, update content and AI integration

Public Relations Update:

Dani Hannah presented May Earned Media update.

May Recap:

Earned media

- Bridgerton inspired escape
- Syndicated story in May
 - 35 media placements
 - 4 nation placements
 - 76 average domain authority
- Goop Story – What’s new and Cool in Carmel
- Hotels above Par story
- Sac Bee Story
- NBC On Air live

Upcoming 4 FAMs in June

Best Kept Carmel will have two multimedia posts coming out in June

Social Media

- Showing decrease growth but several expected factors producing these results
- Stakeholder exposures mentioned
- Showing good engagements throughout, although still a down from April – primarily due to viral activities from month prior.
- Expected to see increases in June with live feeds and events adding to engagements and views

Financial Report:

Presented by Mark Watson.

- Current assets \$1.14 M in bank accounts
- Showing \$83K up in revenue YTD
- \$43K underspent in expenses for PR
- \$73K underspent for Marketing
- \$34K underspent for Sales and Promotion
- \$4K underspent for Admin
- Underspent so far YTD \$153K – plans to catch up in June/July

Market Share Report:

- Comp set report shows Carmel RevPar up 14% from LY. Next closest Santa Barbara at 7%.
- Occupancy up 5%. Yountville up 9%
- ADR up 9% almost every other market down. Monterey up 1%.

Additions to the Agenda:

None.

Pam Sheppard adjourned the meeting at 4:37 PM