



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS REGULAR MEETING

Sunset Center and on Zoom

Carmel-by-the-Sea, CA 93921

Thursday, MAY 21, 2026

2:30 PM

MINUTES

BOARD MEMBERS PRESENT: Carrie Theis, Hofsas House; Susan Dampier, Marc & Rose Hospitality; Greg Ahn, 7D/Folktale; Tim Twomey, CRA; Katie Enea, Carmel Chamber; Chris Morello, MRY; Amy Herzog, Executive Director; Brandon Swanson, City of Carmel; Candace Fecteau, Stillwell Hotels (virtual); Pam Sheppard, Horizon Inn and Ocean View Lodge (virtual); Mark Stilwell, Stilwell Hotels (virtual); Mark Watson, Inns-by-the-Sea (virtual)

ALSO IN ATTENDANCE: April Montgomery, Links Club; Jeff Burghardt, Visit Carmel; Nicole Dore, Visit Carmel; Daniel Spilfogel, Flaherty's; Hans Buder, Carmel City Council; Lydia Lyons, Patisserie Boissiere; Marissa Mallory, J/PR (virtual); Sophia Stewart, J/PR (virtual); Suzanne Cravelle, CARS; Janine Chiccourat, CRA (virtual); Rob O'Keefe, See Monterey

BOARD MEMBERS ABSENT: Rich Pepe, Pepe International

Carrie Theis, Chairperson, called the meeting to order at 2:30pm and confirmed that a quorum was present. She thanked attendees for dialing in via Zoom. Introductions were made for new attendees.

PUBLIC COMMENT:

- June 1st: City Council meeting with a parking presentation scheduled
- June 2nd: City Council meeting agenda to include the city budget and potential increases to TOT and sales tax

Tim Twomey, CRA

- CRA held its annual event the previous evening at the Women's Club
- Business of the Year awarded to Greg Ahn/7th & Dolores Group for community support, philanthropy, customer service, and innovation.
- Featured presentation by Beth Bowman, Executive Director of Sunset Center, covering operations, financials, and artistic booking (12–24 months out for 25 touring artists per season).
- Event recording is available on the CRA website.

Kati Enea, Carmel Chamber

- Carmel-by-the-Sea Book Festival and Hearts of Carmel Unveiling Saturday, July 18
- Great Bowls of Fire Chili Cookoff Sunday, July 26

Chris Morello, Monterey Airport

- Reminder that the inaugural United Airlines flight to Chicago launches Saturday, May 23. A local pilot trained at MRY will serve as captain on the inaugural flight.

Brandon Swanson, City of Carmel

- Reminder that May 30 is the city's evacuation drill at 9am

AGENDA ADJUSTMENT

Amy Herzog adjusted the agenda to defer the annual investment discussion, financial report and draft budget until Mark Watson joined. The revised order was 1. Minutes, 2. Executive Director Report, 3. PR/Marketing, 4. Financial items upon Mark's arrival.

MINUTES

The minutes from the prior meeting were distributed in advance via email. Mark Stilwell made a motion to approve the minutes and the motion passed unanimously.

EXECUTIVE DIRECTOR REPORT

Administrative

- Annual insurance renewals completed: Directors & Officers, Workers' Comp, and General Business Package policies. Certificates sent to the city.
- Consignment agreement with the Visitor Center updated to include new branded merchandise: beanies, caps, and small flashlights.
- Visitor Center walk-ins are down, dogs and calls are up year over year.

Community Relations

- Presentations made to Carmel Chamber Leadership Class and Carmel Rotary Club.
- Coordinated with the city on May evacuation drill social media messaging.
- Two new hotel GM's added to communications distribution.
- Local outreach on Culinary Week.
- New courtyard Lucky Heart Cottage Court, behind the Carmel Surf Shop.

Culinary Week

- 34 of 53 eligible full-service restaurants participating, plus 10+ coffee houses/food providers, 19 wineries, and 40+ local artists and musicians.
- New this year: FAQ page on website covering parking, attire, dogs, etc.
- Media gift bags prepared for visiting press, 9 attending.

Restaurant Improvement District (RID)

- April Montgomery elected as new RID Marketing Committee Chair.
- Survey conducted; majority of members satisfied. Focus on education and engagement of non-attending members.
- Next RID meeting: June 16. Informational packets to be sent to all restaurants with Q&A links.
- All RID meetings available on Zoom.

PR & SOCIAL MEDIA REPORT

Earned Media (March–April)

- Total reach: 776 million
- 21 placements across print, digital, and social
- Share of voice: 20% average (goal: 15%)
- Barcelona Principles quality score: 97 average (goal: 90+)

Notable Placements

- *Travel + Leisure* — car-free travel / walkable small towns
- *Eater San Francisco* (syndicated to MSN) — restaurant coverage
- *Town & Country* — "A Snob's Guide to Escaping L.A." luxury feature
- *Forbes* — Culinary Week coverage ("most delicious foodie festival along Highway 1")
- *San Diego Magazine*, *SFGate*, *W Magazine*

Top Social Markets

- Facebook: San Jose, LA, Fresno, Salinas, San Diego
- Instagram: LA, San Jose, San Diego, Phoenix

Social Media Metrics (March–April)

- Total follower growth across Instagram, Facebook, TikTok: +10,000 (195% year-over-year increase)
- Instagram organic impressions: +17% YoY
- Facebook organic impressions: +127% YoY
- Total engagements: 75,000+
- Instagram engagement rate: 6.5% (industry average: 2.2%)
- Facebook engagement rate: 4% (industry average: 0.5%)
- 103 partners featured across feed posts and stories

Top Performing Content

- Carmel in Bloom (April) — 7,000+ engagements on Facebook; 29,000+ total interactions
- Backroads collaboration — 33,000 views, 3,000 engagements, 876 shares
- W Magazine "Insider's Guide to Carmel" — 267 shares

Strategy Updates

- Pivoting calls-to-action to "plan your next stay" language (vs. "visit")
- Increasing hotel/inn features from 25% to 35% of feed posts
- Monthly blog content launching in July; topics reverse-engineered from LLM search queries
- Destination stewardship messaging maintained at one post/month
- Chicago market receiving boosted paid social tied to new flight launch

JPR Contract Renewal

- Motion made, seconded, and approved unanimously to renew JPR's contract for another year. Final dollar amount to be confirmed upon budget approval.

MARKETING & ADVERTISING REPORT

Website

- Overall traffic down slightly industry-wide due to AI search shifts, but quality of visits improving.
- March and April hotel web referrals are the highest on record for those months over 10 years of tracking.

Placer AI / Cell Phone Data

- Last 12 months (150-mile radius): visit nights up 9.3% YoY
- Last 3 months: up 29.2% YoY
- Top growth markets: LA (+30%), San Diego (+42%), Sacramento/Stockton/Modesto (+11.5%)
- Day vs. overnight split: 20% day visitors / 80% overnight
- Nights captured: 87%

OTA / Expedia Campaign

- Return on ad spend: 12.1x (up from 11.6x in April)
- ~63% of independent properties depend on OTAs for revenue
- Strategy: "conquesting" — ads appear when travelers search competing destinations (Santa Barbara, Napa, etc.)
- Proposal to add Booking.com in next fiscal year (lower commission, large unduplicated audience)

Culinary Week Advertising

- TV commercial running locally and in all fly markets plus Bay Area via Connected TV
- Carousel ads promoting remaining event tickets
- New video production team (worked on Aspen, Charleston, Kobe food festivals) contracted for all four events

Culinary Week Ticket Sales (*as of meeting date*)

- Total tickets sold: 1,051
- Ticket revenue: \$135,900
- Guaranteed threshold: \$104,000 — surpassed
- LDV sold out; 40 additional seats added to sell-out event
- Boho expanded to 3 blocks (from 1 last year); 300+ tickets, capacity ~500
- Ultimate Pass (all 4 events): \$575; 56 sold
- 34 restaurants involved in events and/or special offers; 40 entertainers/artists

AI-First Projects

- FAQ pages and blog content launching July, designed to surface in LLM/AI search results
- First blog topics: "Perfect 48 Hours in Carmel," walkable itineraries, campus experiences
- Existing "Best of Carmel" blog to be relaunched with ongoing content

Other Campaigns

- *Substack / Found* placements in SF and LA markets
- Chicago market standalone campaign (video, static, Instagram/Facebook)
- Book Direct social campaign: CTR 3.22% vs. industry average of 0.9%
- New hotel photography shoot planned for June (12 hotels)
- New cinematic video production campaign planned; shoot scheduled for end of September with Beast Films (London/LA)
- SurveyMonkey-based primary research to refresh 3-year-old data

FINANCIAL REPORT

- Cash on hand (end of April): \$926,000
- April revenues higher than budgeted (+33K) due to early city payment
- HID hotel funding close to budget (\$216K vs. \$250K budgeted; covers Jan-Feb period)
- March/April period expected to come in double digits ahead of last year
- YTD marketing spend: \$44K under budget
- Event production (Culinary Week) running over budget line – expected per mid-year approval
- YTD CRID revenue: \$273K vs. \$240K budgeted

DRAFT BUDGET – FY 2027

Revenue Projections

- TOT forecast: ~\$11.3M (city fiscal year); Visit Carmel to receive ~\$10.4 due to timing
- Note: US Open revenue will land in FY27 but won't hit Visit Carmel until FY28
- City funding reduced from \$120K to \$90K in draft (subsequently moved to \$0 – see below)
- HID funds: +10% YOY; RID funds: +17% YoY
- Cash reserve draw: \$200K (reduced from \$250K)
- Total projected revenue + funding: ~\$2.75M

Notable Budget Changes

- JPR scope expanded: additional content mission spend (\$7,500) for September creator campaign and blog/FAQ content creation
- Group media FAM added for September (\$10,000)
- Chicago market digital campaign added (\$50,000)
- New cinematic video production added under contracted services
- Culinary Week production budgeted at ~\$140,000
- Admin salary includes 3% cost-of-living placeholder (pending employment agreement — see below)
- Health insurance costs up **14%**

Projected ending cash balance: ~\$472,000 (within the recommended 15–25% reserve range of \$400K–\$675K)

*No vote taken today; final budget vote scheduled for **June 18 board meeting**.*

City Funding/\$120K Annual Investment Discussion

Background: Historically, the city contributed \$120,000 to Visit Carmel to fund programs benefiting non-hotel/restaurant businesses (Wine Walk, Carmel Art Festival, maps, gallery booklets, etc.).

Current Situation

- City is tightening its budget and signaled it wants Visit Carmel to reduce or eliminate the ask
- Visit Carmel proposed \$90K; city reception was cool
- A new **overtourism task force** is being formed (Visit Carmel, Carmel Residents Association, Chamber) to evaluate whether overcrowding is perception or data-supported

Discussion Points

- Board acknowledged the city's position; continuing to justify the \$120K use was described as "tone-deaf"
- Forgoing the funds seen as a goodwill gesture, with expectation that city will continue funding the Chamber and See Monterey
- Board consensus: support **sales tax measure** over TOT increase; support **paid parking** as a demand management and revenue tool
- Warning raised by one board member that cutting hospitality investment during active development in the market carries risk
- Visit California partnership and See Monterey relationship affirmed as complementary and important to maintain
- Board advised **against** Visit Carmel funding See Monterey directly (legal/jurisdictional risk per counsel)

Vote: Motion made and **approved** for Visit Carmel to forego the \$120,000 city contribution for the coming fiscal year.