CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)
VISIT CARMEL
BOARD OF DIRECTORS REGULAR MEETING
Stilwell Hotel and on Zoom
Carmel-by-the-Sea, CA 93921
Thursday, September 24, 2026
2:30 PM

MINUTES

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

ALSO IN ATTENDANCE: Jeff Burghardt, Visit Carmel; Nicole Dore, Visit Carmel; Marrissa Mallory, J/PR; Sophia Stewart, J/PR (virtual); Dawn Mathes-Park, See Monterey; Graeme Robertson, CRA; janet Elarmo, Aubergine/Carmel Beach Hotel; Devin Marquez, Cypress Inn; Jo Todd, resident; Donna Langley, resident/PBC.

BOARD MEMBERS ABSENT: Brandon Swanson, City of Carmel.

Mark Watson, serving as Chairperson, called the meeting to order at 2:30pm and confirmed that a quorum was present.

PUBLIC COMMENT:

- Devin Marquez introduced herself as the new Director of Sales at Cypress Inn. She relocated from Destin, Florida three weeks ago and has 16 years of hospitality experience.
- Carrie Theis, joining virtually from a time zone eight hours ahead, thanked Mark Watson for chairing the meeting and noted she might not be able to stay for its entirety.
- Jo Todd, resident, urged the board to hold a Culinary Week event during the day rather than in the late afternoon and evening, recalling a daytime format from two years ago with vendors in Devendorf Park that she found more interesting and well attended. She suggested the $20 entrance fee could be raised as high as $50.
- Tim Twomey, on behalf of the Carmel Residents Association, thanked Amy Herzog, Visit Carmel and the business community for attending and supporting the CRA fundraiser at Indian Village on September 12, including generous silent auction contributions.
- Kati Enea announced the Hearts of Carmel online auction benefiting the Arts Business Council, and that Taste of Carmel, next Thursday at the Mission, is almost sold out, with 45 restaurants and 25 wineries and beverage makers participating.
- Dawn Mathes-Park, See Monterey, gave an update on the Experience Management Plan: the resident and business sentiment survey has launched; the second town hall is October 8 at 4:30pm at Sunset Center; and preliminary findings are scheduled to be presented to City Council on December 1.

MINUTES:
The minutes from the July 16 meeting were distributed in advance via email.

One edit was noted under the RID update section. The statement that Culinary Week cost approximately $317,000 across combined RID and HID budgets for four events, "roughly 50% of the RID budget," was clarified: *Culinary Week cost approximately $317,000 across combined RID/HID budgets for four events (half of which is roughly 50% of the RID budget);*
MOTION: Greg Ahn moved to approve the minutes with the one correction noted; Pam Sheppard seconded. The motion passed with no opposition or abstentions.

NOMINATING COMMITTEE:
Pam Sheppard and Susan Dampier, this year's Nominating Committee, reported that nominations closed the previous Sunday and reviewed the process, as this is the first time in many years that multiple candidates are interested in the available seats.

- Two regular board seats, each a three-year term, are up for renewal in November: one restaurant (RID) seat and one lodging (HID) seat.
- Advisory seats are renewed annually and are generally held by parts of the tourism community not otherwise represented through stakeholders. Chris Morello (Monterey Regional Airport), Tim Twomey (CRA) and Kati Enea (Carmel Chamber) have all expressed interest in renewing for another year.
- Lodging seat candidates: Mark Stilwell (incumbent) and Devin Marquez, Cypress Inn.
- Restaurant seat candidates: Rich Pepe (incumbent); April Montgomery, current RID Chair, representing the Links Club; and Janet Elarmo, representing Aubergine and the Corner Market.
- Next steps: the committee will review the applications, confirm eligibility and speak with each candidate, then return in October with its recommendation. The board will vote at the November meeting.
- Rich Pepe asked whether candidates would present to the board and how the vote is conducted. The committee will brief the Board Chair, who will decide whether candidate presentations are warranted.

Advisory seat for the RID Chair

- Rich Pepe proposed that the RID Chair have a seat at the board table, possibly as an advisory member, as a direct conduit to the restaurant community. He noted that the RID has become more meaningful with a growing budget and Culinary Week.
- Points raised in discussion: the RID Chair is selected yearly, which does not fit a three-year board term; advisory seats are intended for elements of the community not already represented on the board; and adding a restaurant advisory seat could prompt similar requests from lodging.
- It was clarified that the idea had not previously been brought to the board. Rich asked that the Nominating Committee give it some thought. No action was taken.

FINANCIAL REPORT & COMP SET REPORT:
Financial Report
Presented by Mark Watson, Treasurer.

- Balance sheet: a little over $1 million in the bank following a large TOT deposit.
- August revenue was $517,000 against a budget of $456,000, driven by the May–June TOT remittance.
- Public relations: $24,000 against a budget of about $26,000; approximately $10,000 under budget year to date.
- Marketing: $132,000 for the month and approximately $86,000 over budget year to date. This is largely a timing issue, including advance payment toward next week's video shoot. The figure reflects a correction for a $6,000 television media buy that the bookkeeper had misdated.

- Sales: $4,200 against $5,000. Administrative: $23,000 against $26,000.
- Year to date: expenses are about $65,000 over budget and revenue is about $56,000 ahead, leaving cash flow roughly $9,000 under where it was expected to be.
- Rich Pepe noted the amount of work the Treasurer does for what has grown into a $2.7 million organization supported by a part-time bookkeeper. Mark agreed it is worth a conversation with the bookkeeper about expanding her role, which would also make the position easier for a future Treasurer.

Comp Set Report (May–June)

- RevPAR: $354 versus $292 last year, up 21% and the strongest in the comp set (Monterey +8%, Calistoga +8%, Santa Barbara +12%, San Luis Obispo +9%).
- Occupancy: 80%, up six points and the highest in the set (Monterey 77%, San Luis Obispo 75%, Yountville 71%, Calistoga 62%).
- ADR: $429, up 11%. Monterey was up about $4.
- RevPAR share: Carmel gained seven percent of share from other destinations in the set.
- Buellton, added to track the effect of its TOT increase, will be removed because it is not a true comp. A replacement destination that reports data regularly is being sought; Half Moon Bay and Laguna Beach do not provide usable monthly data.
- Long-term trend: for roughly 30 years before the HID was formed, Carmel TOT grew at 2.6% annually against CPI of 3%. Since the public-private partnership began in 2011, TOT growth has far outpaced inflation. It was suggested that this chart be presented to City Council.
- Mark shared anecdotally that his own pre-bookings are 31% ahead for the next four months. About 80% of new business is direct, roughly 70% originates outside California, Nevada, Arizona and Oregon, and length of stay is about 2.5 nights versus the usual 1.8 to 1.9.
- Contributing factors cited: the reopening of Highway 1, the World Cup, the lack of snow in the mountains, and the performance of marketing and public relations.

INCLUSION OF MONTHLY CHECK REGISTER IN FINANCIAL REPORTS:

Requested by Rich Pepe.

- Rich reported that he obtained the check register in order to understand how much of the marketing budget goes to paid media versus everything else. His review showed about a 50/50 split, which he considered a good ratio. He asked whether the check register should be included in the monthly board packet.
- Mark Watson noted the register would add three or four pages per month and is easy to produce. Amy Herzog noted that the operating statement already breaks out retainers, social media boosting and television, print and internet media, and that all spending is part of the approved budget.
- Some members did not see value in including the register automatically and were concerned that more granular requests could take the Executive Director and Treasurer away from more important work. Others supported making it more accessible, noting that it is a public document and that any board member may examine the organization's records.
- Outcome: no vote was taken. The check register will not be added to the financial report but is available on request. It was suggested that a policy on how direct requests for information are made be considered at a future board meeting.

EXECUTIVE DIRECTOR REPORT:

Presented by Amy Herzog.

Administrative

- Tax returns are ready for signature, pending a couple of minor questions.
- A one-day event insurance policy was purchased for Meet the Makers at a cost of $180, as in previous years.

- Visit Carmel entered into an engagement letter with Civitas, its improvement district consultants, to clarify language in the RID management district plan that appears to conflict with the Visit Carmel bylaws.
- The annual report and marketing plan are due October 30 and will be completed by that date.
- Recent stakeholder e-blasts covered Experience Management Plan updates, fall events, stakeholder news, board and committee nominations, the Delta Air Lines announcement, Car Week input and social media opportunities.
- The annual Carmel Innkeepers Dinner, held with the Carmel Innkeepers Association, will take place November 12.

Experience Management Plan (EMP)

- The EMP task force was formed as a result of City Council's hesitation on reinvesting in See Monterey. It is managed by See Monterey with consultant Cathy Ritter, and a professional research firm is conducting the survey.
- The agreed objective includes managing tourism while safeguarding the community's character and economic vitality, balanced with resident quality of life and the visitor experience.
- Interviews, town halls, research and surveys are underway. The second town hall is October 8, and the goal is a first presentation of recommendations to City Council in December.
- Board members were encouraged to attend the town hall so that the tourism community is represented, and to forward the survey link to their employees, who are the most under-represented voice.
- A member asked whether the survey is available in Spanish, as many employees would otherwise be unable to take it. Amy will check; the survey closes within about a week.

Community Engagement

- Visit Carmel donated two Meet the Makers tickets to the CRA fundraiser and is donating two Culinary Week tickets to a local charity fundraiser. Staff attended a women in hospitality breakfast. Sunset Center has offered Visit Carmel a table at its centennial celebration at the end of October.
- October events are being supported on social media, including a boosted Taste of Carmel reel in collaboration with the Chamber and "secret season" messaging.
- The Visit Carmel section of the website has been revamped so that the annual report, board roster, policy documents, management district plans and upcoming meetings are easier to find. Amy is considering adding a section on EMP results and, with some reservation, a community comment portal.
- Members discussed that the current City Council and many residents do not appear to recognize the City's role as a partner in creating the hospitality improvement district, which was part of the City's own strategic plan. Amy will review the history language on the website with a board member and consider adding the founding resolutions.

Meet the Makers (October 10)

- This is the seventh year of the art and wine walk, held in partnership with the Carmel Art Walk and its local artist-owned galleries.
- Tickets launched in early August at the same price as last year. About 156 have sold against a goal of 400. Roughly 25% of tickets are typically sold on the day.
- Participation: 19 galleries (five more than last year), 15 wineries and six restaurants, with a band in the park and Monterey Symphony musicians at two locations along the route.
- It was noted that from a winemaking standpoint October falls in the middle of harvest. Moving the event to November is difficult because of early darkness and weather.

RID Committee

- The last RID meeting did not have a quorum, so committee nominations could not be acted on. Existing members who wish to continue and five new nominees will be considered at the October 13 RID meeting and then brought to the board for approval.
- With 14 members, eight would be needed for a quorum. Amy has reminded members of the attendance commitment. Suggestions included non-voting participation for those who cannot attend regularly, or dropping members from committee status after a set number of missed meetings. The topic will be raised at the next RID meeting.

Culinary Week 2027

- Nothing has been decided. The tentative concept keeps four signature events but changes the dates: Culinary Week would still kick off on Friday, with restaurants leading their own kickoffs on Friday and Saturday, followed by signature events on Sunday, Tuesday and Wednesday and a closing event the following Sunday.
- Also under discussion: increasing the stipend to participating restaurants and wineries to make participation less financially burdensome, and having Visit Carmel take over stipend payments, since restaurants were paid late this year. Paying by check on the spot will be tested at Meet the Makers.
- The board should be prepared to weigh in on Culinary Week 2027 at the October meeting.

Air Service

- Chris Morello was congratulated on Delta Air Lines coming online. Starting in December there will be four daily flights from Los Angeles (two United, two Delta), along with new Salt Lake City service.
- Dallas service will continue daily through the winter on a smaller aircraft.
- The new terminal is expected to open in the summer of 2027. The move will happen overnight, as TSA will not operate out of two locations.
- Chicago service will return for a longer season, May through October, with a better schedule: arriving in Monterey on Friday night and departing for Chicago on Saturday morning.

See Monterey and Visit California

- See Monterey will be scheduled for its quarterly report in October. Amy will send the board links to See Monterey's annual report and business plan.
- Even with a $14 million budget, the county is underfunded per available room compared with its comp set.
- Visit California is forecasting stronger visitation and travel spending for California than for the rest of the U.S., with Monterey County performing better than the state average, and will lean into culinary in 2027.
- The Visit California Outlook Forum will be held locally for the first time, with about 1,200 attendees. Registration is $1,200 and board members are welcome to attend. Visit Carmel and See Monterey will plan destination experiences in Carmel and ways to encourage attendees to stay longer.
- In response to a question from Rich Pepe about See Monterey's budget snapshot, it was explained that the $292,000 revenue figure is the City of Carmel's investment and the $688,000 figure comes from the HID's per-room-night assessment, which is added to the guest folio along with TOT and the California tourism assessment.

Upcoming Meetings

- The annual community meeting will be held January 21 at La Playa in place of the January board meeting.

MARKETING & ADVERTISING REPORT:

Presented by Jeff Burghardt.

Creative and Production

- Wine Walk brand refresh: vineyard footage has been shot and tasting room filming will follow in November, to tell a vineyard-to-tasting-room story.
- Storybook Carmel cinematic brand campaign: production takes place next week with Beast Films (London and Los Angeles), selected through an RFP of about seven production companies, along with a still photographer.
- Three short-film themes: Dreams of Adventure (a younger couple discovering Carmel), Shared Discoveries (a girlfriends' getaway arriving by air) and A Timeless Love Story (a couple who got engaged in Carmel in the 1970s and return every year). A custom "Book of Carmel" was produced as a visual motif. Deliverables will cover traditional and social formats.

Campaign Performance

- The current Storybook Carmel campaign is running on connected TV, Meta, Google display and Performance Max, and email.
- The hotel sizzle reel campaign launched in late spring is performing well above industry averages, with strong remarketing results and engagement.
- Fly market campaigns continue on Meta and connected TV. Chicago is seasonal and currently paused.
- Paid digital media drove about 65% of website traffic in Q3. Paid social was up almost 32% over last year and all Google channels were up, on a budget that is flat year over year.
- Website traffic, which declined early in the year as travelers turned to AI tools, was well ahead of last year in Q3. Direct traffic was up 110%, mostly attributed to AI bots. Traffic to the exclusive offers and hotels pages increased as well.
- Guest origin data provided by a hotelier with several properties shows the Bay Area at 32–33% of guests, followed by Los Angeles and Sacramento. Out-of-state growth from 2023 to 2025 included Texas (189 more nights), Arizona (78) and Washington (69).
- Expedia conquesting campaign: paused over the peak summer season and relaunched August 1. Return on ad spend is 11.6 times.
- Booking.com conquesting campaign: launched in September with native and display ads and a dedicated landing page. Early results are positive but well below Expedia's return after about three weeks.

Media Planning and Buying

- In response to questions from Rich Pepe, Jeff explained that media planning and buying is now handled in-house. All media is billed directly to Visit Carmel at net, with the exception of Madden Media.
- Madden, a partner of 14 years and a Google and Meta Premier partner, manages the complex digital buys and performance dashboards for an industry-standard 15% commission. Connected TV is bought directly at net.
- The annual media plan, presented to the board when the marketing budget is approved, details all digital, print, broadcast and contracted services. Each invoice is matched against the plan, and Madden provides the underlying Google and Meta invoices.
- Amy Herzog described the checks in place on invoices: Jeff and J/PR submit their invoices, the Executive Director checks each one for accuracy and against the budget and codes it, the bookkeeper enters it, and the Treasurer prints and signs the checks.

PR & SOCIAL MEDIA REPORT

Presented by Marrissa Mallory and Sophia Stewart, J/PR.

Public Relations (August)

- 11 earned placements with a total estimated reach of 161 million.

- Share of voice was 29%, right behind Napa and ahead of the rest of the competitive set.
- The average quality score was 87, against a target of about 90.
- Highlights included Travel + Leisure (a regional Big Sur story featuring Carmel), Skift (featuring Susan Dampier's comments on the positive impact of World Cup travel), a best beach towns feature, an Observer insider's guide and an Arizona Foothills golf story.

Social Media (July–August)

- Organic saves increased just over 28% year over year and engagements were up 11%. Instagram organic impressions were up more than 180%.
- Facebook impressions decreased against last year's viral posts, while Facebook engagement rate increased more than 130%. Instagram engagement rate was unchanged at 5.2%, above industry average.
- 54 partners were featured in August across feed and stories.
- A new "Did You Know" series launched to share unique facts and highlight partners. A "nooks and crannies" post received more than 1,300 organic engagements.
- The Delta announcement was supported with a collaborative post. A dedicated post will follow in October, and Salt Lake City will be added to boosting and targeting in December.
- Account verification was added to improve search placement and credibility.

Objectives and Direction

- Four core objectives: drive off-season travel and target market visibility; penetrate new media outlets, including Substack; create storytelling that aligns with emerging trends; and spotlight the people and partners behind Carmel.
- Media visits are planned through the fall and early winter from Texas, the Bay Area, Phoenix/Arizona and Salt Lake City, with a focus on high-net-worth luxury publications.
- Trends noted: togetherness and milestone travel; wellness reimagined; a shift from sightseeing to hands-on experiences; culinary and vineyard immersion; and hotels as the destination, favoring intimate, design-led stays.
- Messaging: Storybook Carmel; destination stewardship, with at least one dedicated post per month and added emphasis around busy periods such as Car Week and Culinary Week; and thoughtful visitation. About 30% of posts feature a hotel, and nearly every post now carries a "plan your stay" or "stay longer" call to action. Upcoming messaging will highlight walkability and flying in and traveling car free.

AI and Search

- In response to a question about AI, J/PR explained that earned media from credible outlets is the biggest role PR can play in how AI tools describe Carmel. J/PR is investigating tools to measure where Carmel ranks in AI-generated travel recommendations.
- AI models currently pull heavily from Reddit and YouTube rather than Instagram or Facebook. Reddit is recommended as a place for listening. Text overlays and keywords help Visit Carmel's posts show up in Google search.
- Mark Watson observed that AI may be moving travelers away from the online travel agencies and toward direct booking.

The Chair thanked the marketing and PR teams, and thanked Mark Stilwell and Candace Fecteau for hosting.

No further agenda items raised. Meeting adjourned at 4:33pm.