

May 6, 2025

RE: FY25-26 BUDGET INVESTMENT IN VISIT CARMEL FOR DESTINATION MARKETING SERVICES

Dear Mayor Byrne, Council Members Baron, Buder, Delves, Dramov, and Administrator Rerig,

As you prepare for the FY 2025–26 Budget Workshop on May 21, I'd like to provide additional context on the City's investment in Visit Carmel and how it directly supports Carmel's economy, brand, and local stakeholders.

Prior to 2018, the City relied on an outside agency for branding and visitor marketing. With the formation of Visit Carmel—your nonprofit destination marketing organization (DMO)—the City transitioned to a more integrated, cost-effective model. Our current three-year agreement, signed in June 2024, enables the Council to review and affirm the City's annual \$120,000 investment as part of the budget process.

This funding provides critical support for projects that benefit the entire business community—not just hotels and restaurants but also retail, arts, and cultural venues—while aligning with City objectives and preserving local character. It also ensures the City's voice remains central to strategic planning by maintaining a seat on Visit Carmel's Board, fostering alignment between municipal goals and destination stewardship efforts.

## What the City Investment Supports

Unlike funds from the Carmel Hospitality Improvement District (CHID) and Carmel Restaurant Improvement District (CRID), which prioritize promotion of the hotels and restaurants, the City's contribution allows us to invest in broader City-focused marketing efforts, including:

- Destination Website <u>CarmelCalifornia.com</u>: Maintenance of the official destination website, including not only promoting the City's important brand pillars, but also including visitor-serving business listings (for retail stores, art galleries, wine tasting rooms, performing arts centers), event calendars, and important visitor information such as beach rules, maps, and our history and heritage.
- Official City Guide & Maps: Design, production, and distribution of visitor guides and maps placed throughout the Village.

- **Visitor Center Support**: \$30,000 in financial support to the Carmel Chamber to expand visitor services and collaborative marketing.
- **Destination Stewardship Campaigns**: Responsible tourism messaging through campaign development, signage, digital/print media and coordination with local community organizations.
- **Retail & Arts Support**: Ongoing marketing, PR and social media support for galleries, retail shops, and wine tasting rooms—including major support for signature events and experiences like Meet the Makers, the Carmel Art Walk, Carmel Art Fest, and the Carmel Wine Walk. These are vital to our locally owned art galleries and wine tasting rooms.
- **Performing Arts Promotion**: Marketing partnerships with Sunset Center, Pac Rep, and the Outdoor Forest Theater.
- **Public Relations & Social Media**: Management of destination-wide PR and social media campaigns, including earned media outreach, and response to media inquiries.
- Crisis Communications: Real-time coordination with City staff and local agencies to
  provide critical updates on weather, road closures, and other emergencies affecting
  visitors and businesses. This includes maintaining <u>Travel Alerts</u> to communicating
  directly with hotel stakeholders so that they can advise their incoming guests to posting
  on social media for locals and visitors.

These are tangible services with **direct return on investment for the City**, from increased transient occupancy (TOT) and sales tax revenue to the City's revenue and an enhanced quality of life for residents. Importantly, the \$120,000 is strictly allocated to hard project costs—such as printing, paid advertising, and vendor contracts—and **is not spent** on overhead, staff salaries, public relations, social media management or administrative costs.

## A Stronger Carmel Through Partnership

Last year, we launched our *Storybook Kind of Place* campaign, which showcases Carmel's artistic heritage and community spirit. It is just one example of how Visit Carmel's work supports both economic and cultural vitality. We invite you to review our <u>Annual Report and Marketing Plan</u> for a comprehensive overview of programs and outcomes.

Please feel free to reach out with any questions. Thank you for your continued partnership and support of Visit Carmel.

Sincerely.

Executive Director

Visit Carmel 831.238.1849