



FY2025-26 MCTID Annual Report to the City of Monterey

The Monterey County Tourism Improvement District (MCTID) is a partnership led by See Monterey (formerly MCCVB), the Owner's Association, and includes the cities of Monterey, Carmel-by-the-Sea, Pacific Grove, Seaside, Marina, Salinas, and the County of Monterey. **There are no proposed changes to the boundaries of the MCTID or in any benefit zone or classification of businesses within the district for fiscal year 2025-26.**

The MCTID Oversight Committee is an Advisory Committee to the See Monterey Board of Directors, Chaired by a lodging member of the Board of Directors and is comprised of lodging representatives from within the MCTID boundaries. Voting committee seats are allocated per jurisdiction based on contribution level by jurisdiction. The MCTID Oversight Committee has full decision making authority over all programs funded by the MCTID in accordance with the 2023-33 MCTID Management District Plan (MDP). MCTID expenditures must provide benefit to the payers, i.e. must generate overnight stays for properties collecting and remitting the MCTID and must be done so in compliance with the MDP.

MCTID assessment revenue is combined with jurisdiction investments, and private revenue generated by See Monterey to execute a robust regional group sales, tourism development, marketing and public relations program for Monterey County. See Monterey has allocated approximately \$750,000 of FY2024-25 MCTID Assessment revenues to the contingency/reserves for cash flow management per the terms in the Management District Plan and See Monterey's Operational Reserve Policy. See Monterey carried over \$1,023,453 from FY2023-24 in reserves for a combined total of \$1,773,453 in MCTID reserves.

MCTID assessments collected by lodging properties are based on occupied room nights and are submitted to the lodging property's corresponding jurisdiction and then to See Monterey (minus a 1% administrative fee.) The assessment is levied on all eligible lodging businesses (exclusions apply), existing and future, within the MCTID boundaries based upon a flat fee, that will increase on July 1, 2025 to \$7.90 per occupied paid room per night for luxury service lodging businesses, \$5.10 per occupied paid room per night for full service lodging businesses and \$1.70 per occupied paid room per night for limited service lodging businesses in Zone 1 and an additional .50 per occupied room in Zone 2 (in addition to the \$7.90, \$5.10 or \$1.70 respectively).

MCTID projected revenues per zone for FY2025-26 are as follows:

MCTID ZONES:	FY2024-25 Year End (estimated)	FY2025-26 Projected
ZONE 1 - MCCVB (Includes Monterey County and the cities of Monterey, Carmel-by-the-Sea, Pacific Grove, Seaside, Marina, and Salinas)	\$7,863,807	\$9,242,324
ZONE 2 - City of Salinas (additional .50 per occupied room)	\$102,711	\$135,331
Total MCTID Revenue	\$7,966,518	\$9,377,655

The MCTID is a critical component of See Monterey's Business Plan. The FY2025-26 Business Plan and Budget is developed by See Monterey, the MCTID Oversight Committee and County-wide stakeholders. The Business Plan will be approved by the See Monterey Board of Directors on June 26, 2025.

Zone 1 – See Monterey: Initiatives supported in whole or part by MCTID:

Marketing Communications: \$4,616,068 See Monterey's Marketing Communications programs use integrated brand-based content marketing strategies that incorporate compelling advertising, public relations, and social media. This works to inspire and influence overnight visitation among Leisure, Group, and International travelers.

In fiscal year 2025-26, the greatest emphasis will be placed on expanding reach to further drive demand for travel to Monterey County in the leisure, group and luxury segments.

1. Extend Marketing into New and Under-Tapped Markets

- Increase advertising in new cities across the East Coast, Midwest, and non-fly Western states, targeting both leisure travelers and meeting planners.
- Prioritize ad spend in cities with high visitation potential.
- Grow social media presence to amplify reach.
- Launch targeted PR campaigns in national and regional media, including large-scale broadcast integrations.

2. Targeted Event Promotion and Development

- Invest in paid promotion for major events like Laguna Seca races, Pebble Beach tournaments, and Monterey Jazz Festival.
- Support and promote new events entering the market.
- Evaluate opportunities to attract large-scale events.
- Develop promotions around Super Bowl 60 (Santa Clara) and FIFA World Cup (Bay Area).

3. Further Develop Regional Identities

- a. Expand digital content to highlight the unique appeal of each area for both leisure and group travelers to disperse and grow travel throughout the County.
- b. Leverage AI-powered trip planning to personalize itineraries and connect regional experiences.
- c. Integrate interactive maps on SeeMonterey.com to showcase local attractions, parks, and businesses.
- d. Create social and digital content to reinforce regional branding.

4. Reinforce Key Content Pillars for Leisure and Group Audiences

- a. Nature: Highlight scenic beauty and promote responsible travel and sustainable meetings via The Right Path campaign.
- b. Wellness: Showcase the full spectrum of Monterey County wellness experiences, from luxury spas to free nature immersions.
- c. Culinary: Partner with Michelin, James Beard Foundation, influencers, and local chefs to position Monterey as a top culinary destination.
- d. Road Trips: Promote the “HOW 2 HWY 1” campaign to reshape the narrative around Highway 1 travel experiences.

5. Drive Demand in International and Luxury Segments

- a. Maintain PR and trade presence in the UK; expand into Asia Pacific.
- b. Launch direct-to-consumer ads in key international markets as conditions allow.
- c. Expand the “Seek & Find” luxury campaign into new markets.
- d. Execute targeted PR with luxury media through shows, appointments, and hosting.

Group Business Development: \$3,241,717 - See Monterey’s Group Business Development programs create revenue opportunities through groups, meetings and conferences for the benefit of our hotel community and other related businesses. Meetings and conferences are highly valued for their ability to attract business during ‘need’ periods where they fill rooms and create increased rate compression. This benefits the host hotel as well as other lodging properties in the area.

Business Development Strategic Priorities:

1. Hosted In-market Industry Events

- a. Host industry events in Monterey County to showcase to meeting planners
- b. Targeted FAMs to support luxury and corporate group initiatives
- c. Conduct high level client activation at major events, like PBFW

2. Champion “Need” Periods and New Business

- a. Target high value groups and meetings from existing and new feeder markets
- b. Solicit compression causing group events
- c. Group incentive targeting “need” periods

3. Grow Key Industry Partnerships

- a. Target sponsorships with speaking opportunities to reach a wider audience

- b. Activate new group marketing campaign to grow awareness
- c. Engage in targeted partnerships with key industry organizations to grow awareness
- 4. Build on Sustainability and DEI programs to Elevate our Brand – Find the Right Path**
 - a. Educate clients on the sustainability aspects of our destination
 - b. Highlight LGBT Clients and their experience in the destination
- 5. Lengthen Group Stay patterns**
 - a. Educate clients on things to do to drive attendees and stay patterns
 - b. Leverage destination attributes
- 6. Increase Customer Satisfaction**
 - a. Implement a paid site tour program, “See/Stay/Book”
 - b. “Flash Your Badge” Program offering discounts to conference attendees

Community Relations: \$0 - See Monterey’s Community Relations program aligns with the strategic direction to promote inclusion between residents, local government, small business and the hospitality and tourism sectors. Attracting visitors to stay in the destination overnight directly affects the economic impact throughout Monterey County.

- 1. Community Connectivity**
 - a. Community benefit campaign: educational materials and speaking platforms
 - b. Develop new and strengthen existing industry and strategic partnerships
 - c. Partner with Monterey Bay Economic Partnership and continue to work with countywide agencies in discussion of hospitality-related topics such as traffic mitigation, employee housing, etc.
- 2. Hospitality Business Engagement**
 - a. Conduct “Travel Ready” member workshops
 - b. Member newsletter development and engagement
 - c. Continued Virtual Meet-a-Members, site visits and regional FAM trips
- 3. Destination Services**
 - a. Refresh planning tools and resources
 - b. Further develop digital content that highlights our members and regional Visitor Centers

Operations, HR and Relations and Governance Administration: \$1,290,528

Expenses are required to support all departments’ programs and staffing. See Monterey is an accredited not-for-profit Destination Marketing Organization that adheres to industry best practices throughout its operations and financial management.

Finance and Operations:

1. Integration of cloud-based accounting, budgeting, expense reporting and accounts payable systems with digital controls and approval processes, shorter payables processing time, cash flow analysis and financial forecasting.
2. Maintain organizational insurances, equipment and supplies that support the needs of the team and our hybrid work schedules.

Human Resources and Relations:

1. Develop and maintain strategic partnerships that support our culture and provide critical internal function backups.
2. Implement new payroll, expense reimbursement and performance management systems that create time efficiencies and cost savings.
3. Elevate talent acquisition and intentional retention programs and create the ideal environment that fosters growth transitions.
4. Ensure that all team members feel welcome and have an equal opportunity to connect, belong, and grow. Encourage team members to contribute to the organization and the hospitality industry, advance their skill sets and to be comfortable and confident as their authentic selves within the framework of professional guidelines that we have established as a team.

Governance Administration:

1. Provide administrative leadership and support to the Board of Directors and eight (8) Committees. Ensure accordance with best practices and in compliance with the Brown Act and other laws and guiding principles for non-profit organizations.
2. Administer and track diversity, equity and inclusion programs that demonstrate organizational commitments.

PERFORMANCE MEASURES:

See Monterey will continue to measure and report on success just as in previous years with organizational metrics including:

- Marketing Communications Intent to Visit Score Goal of 4.3
- Group Business lead generation at 700
- Group Booking Conversion at 25%
- New Bookings 30%

Key Performance Indicators include unique website visits, social media engagement, media coverage and referrals to member businesses

Zone 2 - City of Salinas: Initiatives supported in whole or part by MCTID:

The MCTID is a component of the City of Salinas's visitor services initiatives. The City has historically invested in the operation of the Welcome Center located in the Freight Building. The City of Salinas will invest the Zone 2 Assessments in accordance with the Management District Plan guidelines and with the input of the payors within the boundaries of the Zone.