

San Francisco Chronicle

From url <https://www.sfchronicle.com/california/article/carmel-by-the-sea-22354642.php>

This picturesque California town is overwhelmed by tourists — but can't afford to lose them

By [Connor Letourneau](#), Staff Writer

Updated July 25, 2026 8:22 a.m.

Beachgoers in Carmel-by-the-Sea on Thursday, July 23, 2026. In response to hundreds of complaints from locals over too much tourism, the city council slashed almost \$300,000 in annual marketing funds to the regional tourism bureau last month.

CARMEL-BY-THE-SEA — On a recent afternoon in this wealthy beach community, dozens of cars crawled along Ocean Avenue in search of curbside parking. Horns blared. A parking-enforcement officer ticketed vehicles that had overstayed a two-hour limit.

Carmel-by-the-Sea has long been accustomed to such commotion on sun-drenched weekends, but this was an overcast Wednesday. With the iconic span of Highway 1 connecting San Francisco to Los Angeles [fully reopened](#) after years of repairs, droves of tourists have descended upon this Monterey Peninsula enclave for its Instagram-worthy beach, storybook cottages, [elegant restaurants](#) and boutique storefronts.

The result is more trash on the streets, near-perpetual gridlock along Carmel's quaint retail corridor, residential neighborhoods overrun with parked cars — and increasingly frustrated residents. "They're angry about it, frankly," council member Hans Buder said at a recent public meeting. "They feel like there's too much tourism, there's overtourism."

In response to hundreds of complaints from locals, the city council slashed almost \$300,000 in annual marketing funds to the regional tourism bureau last month. But that decision also left many wondering: What would this popular tourist spot look like with far fewer tourists?

"It's hard to even imagine," said Anthony Carnazzo, co-owner of Stationaery, a buzzy downtown restaurant known for giant crispy potato pancakes. "Carmel is tourism."

The debate has forced Carmel's roughly 3,200 year-round residents to grapple with the town's complex relationship to its dominant industry.

Some are convinced Carmel has reached its visitation capacity and doesn't need to bother attracting more tourists. As recent sightings of [the Obamas](#), [Taylor Swift](#) and [Bradley Cooper](#) underscored, this artsy community 120 miles south of San Francisco isn't just another pit stop along one of California's most iconic drives. It's a destination in its own right.

But other residents, including many small-business owners, worry that deterring tourism could have grim repercussions.

"I hear from folks who want to eliminate visitors, but they're forgetting that tourism built this town," Mayor Dale Byrne said. "Without it, well, I don't even want to think about where we'd end up."

The city council only agreed to [restore the marketing funds](#) once Monterey County's tourism bureau, See Monterey, promised to use part of the money on a "visitor management" study of Carmel. The report, due in November, will recommend changes to parking and infrastructure, and provide a clearer look at visitor trends.

For now, Carmel has no exact visitor count. Hotel-tax revenue spiked 12% to a record \$9.3 million last fiscal year, though that was partly a reflection of higher room rates — occupancy increased only from about 66% to 69%.

According to its own local tourism board, [Visit Carmel](#), this 1-square-mile community along California's Central Coast depends on visitor spending for 60% of its annual budget. That reliance only figures to become more pronounced. With Carmel facing a projected five-year budget deficit of around \$64 million, it might need significantly more tourism to avoid cuts to vital city services like police and fire departments.

But Carmel has been slow — if not downright obstinate — to build the infrastructure necessary to accommodate its ballooning volume of visitors.

A downtown already light on parking [recently lost 45 spots](#) because of a new California traffic safety law. But none of Mayor Byrne's preferred solutions — more parking garages or even some sort of shuttle service or extensive valet operation — have gained much traction.

Perhaps this should come as no surprise in a community that still has no streetlamps, no traffic lights, no sidewalks in residential areas, no parking meters, no fast-food restaurants and no mailboxes.

Just two months ago, after more than a century of debate, Carmel finally [started assigning street numbers](#) to every one of its businesses, government buildings and homes, doing

away with an [often-confusing system](#) of house names and directions based on nearby intersections.

Yet such quirks have been part of the town's allure since the early 1900s. Developed as a seaside retreat, with winding passageways and timbered houses that evoke a European village, it became a bohemian haven for artists and writers including Jack London. By the time [Clint Eastwood served as its mayor](#) in the mid-1980s, Carmel was a go-to choice for Hollywood elite trying to sneak away for a romantic weekend or a round of golf at nearby Pebble Beach.

For longtime locals like Karyl Hall, the debate about "overtourism" goes back at least half a century. Hall, who grew up in the area before buying her own home in Carmel in 1990, remembers a popular cartoon published in the town newspaper, the Pine Cone, in the mid-1970s.

In it, a man waits in his car as tourists walk in front of him. They take so long that he turns into a skeleton.

"From time to time, I think about that cartoon because it still feels so relevant," Hall said. "Only now, it's even worse."

Hall and many of her fellow Carmelites blame today's irksome crowds on a more recent phenomenon: social media.

Twenty-six miles south in Big Sur, selfie hunters have become so problematic that Monterey County supervisors recently passed a one-year ban on parking near Bixby Bridge. "To round out the photo gallery, they're swinging by Carmel before or after to get shots on the white-sand beach or at a fancy restaurant," said Ian Martin, a local photographer. "It's not hard to spot the people who are just there for Instagram."

The surge in tourism is also the result of a concerted marketing effort. See Monterey devotes about 80% of its roughly \$14 million annual budget to fly-in and international visitors, who tend to spend much more money in Carmel's restaurants, galleries and gift shops than day-trippers. Thanks in part to direct flights from the Monterey airport to such major cities as Dallas, Chicago and Denver, fly-in visitors grew from 14% of county tourists in 2015 to 20% in 2024.

But Jeff Baron, the lone council member to vote against reinstating See Monterey's funding, remains skeptical. When See Monterey publishes its study this fall, Baron said, "I'll struggle to believe data that comes from a tourism board. After all, their job is to bring people here. There's a built-in agenda right there."

Rob O’Keefe, See Monterey’s president and CEO, conceded that it’s a “reasonable question.” But he touted the work of the organization’s partner on the study, Better Destinations LLC, which recently led a stewardship plan for the Hawaii Tourism Authority.

These days, Martin, the local photographer, figures at least one thing isn’t up for debate. “It’s gotten so crowded here that it’s having an impact on enjoyment,” he said, “for both visitors and locals.”

Those tensions were apparent on that recent overcast Wednesday.

After driving his silver Honda Accord around downtown for more than 20 minutes, a baby-faced waiter found a vacant spot directly across from his restaurant. When he climbed out of his car and did a little celebration dance, a young woman walked right into him. She was filming on her phone, livestreaming about her new favorite town.

“F—ing tourists,” the waiter muttered.

[Connor Letourneau](#)

Enterprise reporter

Connor Letourneau is an enterprise reporter for the San Francisco Chronicle, where he’s interested in telling stories that shape the Bay Area. Though his work spans everything from climate change to city politics to evolving demographics, he makes a point to never lose sight of the people at the center of every issue.

Letourneau honed that narrative approach during his decade-plus as a sportswriter. After graduating from the University of Maryland in 2013, he served as the Oregon State beat writer for his hometown paper, the Oregonian, before joining the Chronicle in 2015. His tenure on the sports desk included six years covering the Warriors’ NBA dynasty and several years as a roving features writer, during which he won local, state and national awards for his in-depth storytelling.

Since moving to news, Letourneau has appreciated the chance to broaden his scope and scour the Bay Area for important topics that might go overlooked. He lives in the East Bay with his wife, son and stepdaughter.