

TID STEERING COMMITTEE MINUTES

AUGUST 27, 2019

In attendance: Annaliese Lafayette, Gerard Kiladjan, Scott McKenney, Alen Saric, Lucas Laidlaw, Michael Strejcek

Absent: Kevin Pagnano, Peter Twachtman, Michael Towle, John Schultzel, Ed Palmer, David Tamulevich, Ken Lafayette

On the phone: Tiffany Gallagher, Rachael Bliss

Civitas provided a document to the Steering Committee that laid out all the decisions that the Steering Committee agreed upon at the July 30 meeting. The bulk of this meeting was getting committee members up to speed who were not at the July 30 meeting.

Few conversations took place;

CONTINGENCY / RESERVE

There was some concern about putting 12% into the contingency/reserve bucket. The concern was "would that add up too quickly and would we get questions from people about how much is in that line item". Conversations were around reducing it to 7% and putting more into Services and Administration.

Lynn reminded the committee that the contingency/reserve fund is intended to have a safety net for several possible situations:

- Possible PR campaign for any negative press
- Marketing campaign that we are "open for business" should a tragedy hit our area
- Unplanned marketing opportunity
- Boost up a planned marketing campaign to help offset an unexpected market downturn
- Payment for any contracted services due if the district dissolved
- Bid fees or financial contribution/sponsorship requests for acquiring a large sporting event or meeting/conference that wants to choose Greater Portland.

Note: Lynn recently spoke to a fellow CEO from Bradenton, FL - their reserves are currently at \$8 million. Bradenton is not funded by a TID but tax funded only.

ADMINISTRATION

The administration fee was set aside at 10%. This fee will go towards staffing costs, insurances, overhead, etc. and may not be enough. The Committee asked Lynn to share a current budget as it relates to staffing/marketing/operations in order to look at how this will impact the existing structure and what is needed to move forward.

ASSESSMENT FEE

There was confusion about the assessment fee. A hotelier thought that the 2% fee would come out of their bottom line revenues. This is a reminder that the 2% fee would be passed onto the guests and would be an additional line item on the guest folio at check out.

BOUNDARIES OF THE DISTRICT

There was conversation previously about holding off on inviting Freeport to the table until Portland, South Portland, Scarborough, Westbrook, and Cape Elizabeth were all on board. However, the group decided to reach out to Freeport also in order to loop them in from the beginning to get a pulse on how they feel about this concept.

PASSTHROUGH FOR ADMINISTRATION

At this time we are hoping that collections can happen through GPCOG to make things more streamlined. However, some committee members feel that some municipalities might want the collection fee for themselves and ask more a higher percentage. We are going to cross that bridge if it comes to that and discuss our options as a group.

NEXT STEPS

Many of the committee members have not had conversations with their owners yet. Ultimately it will be the owners deciding this process. Many owners leave the day to day hotel management decisions to the General Managers, therefore, it's important to all be on the same page with our messaging to GMs and owners as to what a Tourism Improvement District is, how it's managed, why we want to do it, and what the potential outcomes could be.

Lynn started a document for this exact purpose. It will be completed and shared with the group for final input so we can utilize the document to move forward with conversations with other hoteliers and their ownership.

Tiffany with Civitas will be in Greater Portland on **October 3 & 4** and Lynn will plan and schedule several informational meetings with Hoteliers (GMs & Owners) and City/Town Managers in order to move this process forward.

Next Committee Meeting: TBD