

# TID STEERING COMMITTEE MINUTES

## JULY 11, 2019

In attendance: Peter Twachtman, Michael Towle, Annaliese Lafayette, Gerard Kiladjian, Kevin Pagnano, Scott McKenney, Alen Saric, John Schultzel, Michael Strejcek

Absent: Ed Palmer, David Tamulevich, Lucas Laidlaw, Ken Lafayette

On the phone: Tiffany Gallagher, Rachael Bliss

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### GEOGRAPHIC TID BOUNDRIES

Conversation regarding geographic area took place. Currently the following communities have hotels;

**Portland** - 23 properties + 5 in the planning stages

**South Portland** - 14 properties + 1 in the planning stage

**Scarborough** - 10 properties

**Westbrook** - 1 property but more to come with Rock Row development

**Freeport** - 10 properties

**Cape Elizabeth** - 1 property with 61 rooms

**Falmouth** - 1 property with 31 rooms

**Chebeague Island** - 1 property with 21 rooms

It was decided that it was not worth the efforts to include Falmouth and Chebeague Island but it was worth the effort to include Cape Elizabeth at this time. Therefore, we would concentrate on 4 municipalities; Portland, South Portland, Scarborough, Westbrook, and Cape Elizabeth.

There was also a discussion about including Freeport into the district. It was decided that we would progress with the set up of the guidelines and structure of the TID structure and then present it to the Freeport lodging establishments to provide them with the option of being included in the district.

### PASSTHROUGH FOR ADMINISTRATION

Discussion was had about working with GPCOG to assist with coordinating each municipality to allow GPCOG to manage the TID collections. This would constitute a 1% or 2% admin fee that would go to GPCOG for their yearly accounting efforts.

Ideas were mentioned that GPCOG might have to offer a percentage of the admin fee gathered back to each municipality to help convince them to allow this to go through. We also discussed that it might come down to having to work with each community for fund administration because the municipalities might not want to give up the revenue. (This was not an optimal idea because it would cause more work on the part of Visit Portland to ensure payment of each municipality on a timely basis)

## SPENDING CONVERSATION

Tiffany mentioned that at a 9% state lodging tax and no additional optional lodging taxes at this time we are well positioned to add a 2% or 3% assessment. The average New England is approximately 16%.

At this point, we agreed to assess a 2% fee per room night, which would estimate an approximate \$4 million in revenues. The question arose, "How much do we really need?" Lynn will look into other competitive destination's marketing plans in order to paint a picture on how the money could be spent.

Tiffany also mentioned that the decision on how things will be spent will be a collaborative decision with Visit Portland and the advisory committee. The district contract will put ideas into percentage "buckets" to allow for flexibility. (Ex: x% for advertising, x% for organizational overhead, x% for research, etc.)

**Note:** *Each year Visit Portland will be required to do an Annual Report that will show all marketing efforts, spend, and it's ROI to the payees that form the district.*

There was conversation about the spend in the destination being proportionate to the contributions from that area. Ex: If Freeport joins in and contributes 15% of the revenues then 15% should be spent in that area. (I think that might be a little constraining if we go down this path - the messaging should be more inclusive of marketing "the region")

## PUBLIC RELATIONS

We should consider working with Angie Helton to create messaging around our decision to self-assess ourselves when we've been fighting to defeat an optional lodging tax and an increase in the state lodging tax. It's clear messaging - an optional lodging tax or increase of the state lodging tax goes directly to the state or municipality and our assessment helps us to control our own destiny. But putting this into a formal statement would be beneficial.

## NEXT MEETING

Tuesday, July 30 - 8:00am - 10:00am at the Visit Portland office

