

# TID STEERING COMMITTEE MINUTES

## OCTOBER 17, 2019

In attendance: Annaliese Lafayette, Gerard Kiladjian, Peter Twachtman, Kevin Pagnano, Alen Saric, Michael Towle

Absent: Scott McKenney, Lucas Laidlaw, Ken Lafayette, Ed Palmer, John Schultzel , Michael Strejcek

On the phone: Rachael Bliss

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### GOVERNANCE COMMITTEE

This meeting was an opportunity to "start conversation" about the make-up of the TID Marketing Committee -- **the following are comments that went around the table**, each comment below is noted for us to continue having conversation prior to a final decision...

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- ✓ There was some conversation about the TID Marketing Committee and the Visit Portland Board of Directors combining. With the influx of funding from the TID, Visit Portland would essentially be 90% funded by hotels, therefore, the hoteliers would have a larger representation on the board and as a board collectively work on managing the TID and the organization.
  - ✓ However, Gerard Kiladjian mentioned that those members of the TID Committee should focus solely on the management of the TID. Especially in the first few years it will be a heavy lift to get things started and up and running. Having TID Marketing Meetings and Visit Portland Board meetings may be too much of a lift for a busy hotelier.
  - ✓ Alen Saric thought that having the TID Committee and the Visit Portland Board combined would allow the group, as a whole, to talk about what is needed for the destination alongside with restaurants and attractions at the table.
  - ✓ There was some conversation about having an attraction and restaurant on the committee for input.
  - ✓ Someone commented that pleasing the hotels will be harder than pleasing the restaurants and attractions, therefore, the hotels should be the focus of the committee alone when making marketing decisions, not to mention, they are the ones contributing the funds.
  - ✓ Several hotels agreed that the marketing funds that this will create will be used to market the region - it's the destination that is the draw, it's not the hoteliers. People choose to vacation at a destination and the hotels benefit from that. So, having input from attractions & restaurants would be a good thing.

- ✓ Rachael Bliss with Civitas wanted to remind everyone that a hotel's voice and messaging is to bring visitors from outside and attractions want to talk to people who are already here.

Ultimate decision - was that the committee should be hoteliers only, keep the Visit Portland board diverse, have a few members who cross over for continuity and information, and be sure that the TID Committee communicates with the membership on how the money is being spent.

#### There was additional conversation about the actual make-up of the committee.

- ✓ A representative of each community should be at the table.
- ✓ There are two communities that make up the bulk of the properties within the district. 52% of the TID hotels will come from Portland and 26% from South Portland -- should Portland & South Portland have more representatives than other communities?
- ✓ Felt that the communities that have a larger contribution based on the amount of properties should have more representation.
- ✓ There was a question/concern about having communities that have one hotel take a seat (ex: Cape Elizabeth & Westbrook) -- we can set up the Governance rules however we wish. Wording could include "Any community with more than X properties has a seat on the committee each year, communities with less than X properties will share a seat."

#### Committee Makeup Proposal:

3 hoteliers from Portland  
2 hoteliers from South Portland  
1 hotelier from Freeport  
1 hotelier from Scarborough  
1 hotelier from Cape Elizabeth / Westbrook (rotates)\*  
1 hotelier at large\*

\* Or...2 hoteliers at large

**Note: Per Tiffany, each community MUST be represented, which means that Cape Elizabeth and Westbrook each need a separate seat. Maybe we increase committee to 11 seats...**

NEXT QUESTION TO BE DISCUSSED -- what is the hotel size for each of these hotels in order to diversify based on different needs??

## ADMINISTRATION / VISIT PORTLAND BUDGET

The Committee asked Lynn to share a current Visit Portland budget at the last meeting in order to determine what percentage of the TID allocations need to fall under the Admin section. Lynn & Amy Tolk, CFO of Visit Portland, have put together the current budget alongside a corresponding budget to reflect what the budget might look like with the district in place.

There would be a potential loss of revenues of \$120,000 stemming from hotel dues and co-op advertising revenue loss in addition to a few other items.

In addition, expenses would increase by roughly \$520,000 which includes estimates on additional staffing, taxes, and benefits, computer costs, mailing costs, taxes, audits, reporting, legal fees, etc.

This total would be roughly \$730,000 -- however, the committee agreed that staff positions that are primarily "marketing positions" could be considered expenses under the TID services category if necessary.

Many people were getting hung up on the word "Admin" - and thought that hoteliers would have issues with thinking that it's just a way to beef up Visit Portland's budget. However, it's clear that it's more "Operational Oversight" and it's basic funds needed to be able to manage and support the oversight of the TID marketing plan.

More conversation is needed on determining the percentage amount for this line item, but agreed that the terminology should change to "operational oversight" versus admin.

## OWNER PRESENTATION PIECE

Second round of the Owner's Presentation Piece was brought forth to the group. The overall consensus was that it was much better and more direct. The only comment was to soften the wording around the Maine Office of Tourism's marketing of Greater Portland.

## TIMELINE

Peter asked about the timeline noted in the owner's piece. He questioned the petition drive. This is when we **ALL** need to come together to gather owner's signatures in support of the TID. It truly will be a collective effort. Tiffany mentioned that in some destinations she has seen this done in only a few short weeks. This is an important process to ensure that things keep moving. In Mobile, they have been collecting signatures since April and he still has 11 more to go to meet the minimum requirements. We can't afford to allow that much time to pass. Each month we pay Civitas a retainer fee, we need to stick within our estimated budget and be completed by the summer of 2020.

## GENERAL COMMENTS

There are still concerns about "how will we spend the money"? In the owner's presentation there are a few high level ideas on spending the money. A more comprehensive marketing plan will be established with input from Visit Portland and the established TID Marketing Committee, based the needs of the hoteliers.

Visit Portland and the TID Committee agree that hiring a marketing agency to establish a regional brand message and guide the marketing buys is a direction that will be beneficial to the region.

Although putting together a full marketing plan prior to the TID being established won't be possible, Lynn will work on preparing a more comprehensive list of potential spends in order to paint a better picture of the needs of the region and what the competition is doing that we are not.

## QUESTION

Q. Who approves the yearly TID Marketing budget? Does it have to go through city councils?

A. No. TID governance can manage the funds post formation as long as it's in accordance with the plan. This will also depend on how we set up the Governance structure, do we give power to the committee and then board approved or just committee?