

Talbot County Tourism Board
Meeting Minutes
March 7, 2023
Via Zoom

I. Welcome, Call to Order

Chairwoman Judy Bixler called the meeting to order at 8:35 a.m.

Members Present Jessica Bellis, Judy Bixler, Tad duPont, Angela Eade, Ron Engle, Ian Fleming, Keasha Haythe, Harold Klinger, Amy Kreiner, Mark Salter, Jeff Schneider, Cassandra Vanhooser

Members Absent: Kristen Greenaway, Mary Kellogg

Staff Present: Krista Boothby

II. Approval of Meeting Minutes – February 8, 2023

Ms. Bixler presented the minutes from the February 8, 2023, meeting. Jeff Schneider made a motion to approve the minutes with Ian Fleming seconding the motion. Minutes were approved unanimously.

III. Chairman's Report – Judy Bixler

Ms. Bixler reported she and Ms. Vanhooser attended the Taste of the Chesapeake event and Tourism Day in Annapolis, meeting with legislators regarding tourism legislation.

IV. Director's Report

Ms. Vanhooser noted that February was a short month filled with legislative activities and that she had an abbreviated report.

Chesapeake Country All-American Road Public Meeting: An alliance of all nine counties and three heritage areas on the Eastern Shore is working to complete an interpretive plan for this internationally significant scenic byway. Talbot County will host the public meeting for the mid-shore on March 15. Participants will have the opportunity to either drop in for an open house or attend an evening presentation.

This event will be held at the Talbot County Community Center from 3-5 p.m. and 5:30-7:30 p.m. Please consider attending.

May Meeting: At Ms. Bixler's suggestion, Ms. Vanhooser issued an invitation to the Economic Development Commission to attend a joint meeting with the Tourism Board on May 10 at 8:30 a.m. The EDC voted to accept the invitation. The meeting just happens to coincide with National Travel and Tourism Week.

Frederick Douglass Park on the Tuckahoe Phase IIA: Talbot County received \$300,000 from the Rural Economic Development Fund for the pre-development engineering and design for Phase IIA of this project. Work has begun. The advisory committee met on February 27 to review the proposal by LSG Landscape Architecture. The committee will meet on the second Monday of each month through 2024 or until the project is complete.

Business Appreciation Summit on May 3: Ms. Vanhooser asked board members to mark their calendar and plan to attend the Talbot County Business Appreciation Summit on May 3. This year's speaker is spectacular. Mark C. Perna is a generational expert and author who was the keynote speaker at the International Economic Development Council meeting in Oklahoma City last fall. He will give an inspirational "preview" at breakfast in the Tidewater Gold Ballroom at 8 a.m.. Then he will come back for an afternoon event at 3 p.m. at the Avalon Theatre which will be followed by a Meet-the-Speaker reception. Don't miss this event, Ms. Vanhooser encouraged.

Presentation to St. Michaels Town Commissioners: Ms. Vanhooser reported that she appeared at the Town Commissioners' Meeting on Wednesday, February 22. She thanks Ms. Bellis for joining her to represent the board and provide moral support.

Five questions were posed at the meeting that Ms. Vanhooser is seeking to answer and report back to the commissioners.

- 1) Commissioner Breimhurst suggested that the amount of tax collected from St. Michaels lodging establishments that Ms. Vanhooser reported for St. Michaels were incorrect.
- 2) Commissioner Mercier asked if platforms like Expedia collect and remit tax.
- 3) Some of the smaller B&Bs have told the commissioners that it is a challenge to pay their public accommodations taxes. Commissioners want to know if online reporting will be available in the near future.

- 4) Several commissioners wanted to know how aggressively Talbot County pursues those who are operating illegally and what software they are using to track them.
- 5) Commission duPont seeks to impose a “tourism tax” on all businesses. Is there enabling legislation for this?

Ms. Vanhooser has referred the first question to the Finance Office and is awaiting an answer. She has checked her numbers again and feels confident that they are correct or within the small margin of error.

Mr. Fleming, owner of the Robert Morris Inn, provided an answer the question about booking platforms. Lodging establishments are required to collect and remit the appropriate taxes, regardless of the booking platform. He also said that the accommodations tax collections are not difficult, though he and Mr. Schneider agreed that an ACH payment system would make things easier.

Ms. Vanhooser also reported that she has spoken to Brennan Tarlton, the County’s planning officer, about compliance. They will meet in the coming weeks, and Mr. Tarleton will likely present at an upcoming meeting. She is also checking with the County Attorney’s Office to see if there is enabling legislation for a tourism-related tax on local jurisdictions.

Mr. duPont, a St. Michaels commissioner, thanked Ms. Vanhooser for her presentation, saying it was informative and well received. He noted that discussion following the presentation revealed that the small B&Bs and cottages do not support a lodging tax increase. He believes a universal tourism tax would be more appropriate, and he reported that, of Talbot Street’s 70 businesses, only two are owned by town residents. He also noted that St. Michaels is forced to hire a higher number of police officers (nine) thanks to the town’s robust tourism industry. Policing makes up 43% of the town’s budget and, for the town to remain solvent, they need a system to ease the tax burden on businesses.

- Ms. Bellis commented that a universal tax would be a difficult for Easton as it is less tourism based, less transient. She added that Talbot County’s public accommodations tax rate is the lowest in the state and even a 2% increase would likely not impact business.
- Mr. Klinger stated that the public accommodations tax is paid by outsiders, not residents. If the extra 2% had been passed this last legislative session as proposed, St. Michaels would already be able to use that extra money toward their budget.

- Mr. duPont stated that the small B&Bs have a price point they need to stick to in order to be competitive and that they already collect and pay 10% in taxes (6% to the state and 4% to the county). Credit card fees add another 3%, he noted.
- Mr. Fleming said that the tax increase does not make a dramatic change, but is more of a perception issue that needs to be addressed. The board must launch a “charm offensive” to convince lodging establishments that it is the right thing to do.
- Mr. Schneider reiterated the increase is paid by the visitor and we are leaving money on the table by not increasing the tax. He likened the proposed increase to half a latte at Rise Up Coffee.
- Ms. Eade stated that few, if any, visits Talbot County because the tax rate is low.
- Mr. DuPont said St. Michaels is the crown jewel for tourism in Talbot County and it would help if the County would subsidize town maintenance. The town needs help on how to handle all its tourism and that it needs more than the added 2%.

After much discussion, Mr. Klinger made a motion to form a committee to create a proposal and an educational campaign to present to the County Council. Mr. Fleming seconded the motion, which passed unanimously.

V. Manager’s Report

Ms. Boothby reported that the Arts Talbot page is live and linked under the Things to Do tab on TourTalbot.org. The Boat Talbot page is in the review phase, and Bike Talbot page is under construction.

VI. Town Reports and Board Member Comments

Representatives from each of the towns reported on news and events taking place in their jurisdictions. Other Board members shared insights on happenings in their businesses, nonprofits, or industries.

VII. Comments from the Public

No representatives from the public were present.

VIII. Upcoming Meetings

- Tourism Board Meeting, April 12
- Joint Tourism Board and Economic Development Commission Meeting, May 10
- National Travel and Tourism Week, May 7-13

IX. Adjournment

Ms. Bixler called for a motion to adjourn. Mr. Engle made the motion to adjourn; Ms. Bellis seconded the motion. The meeting adjourned at 9:40 a.m.