# Talbot County Tourism Board Meeting Minutes Tuesday, October 27, 2021 8:30 a.m.

### I. Call to Order

Chairperson Judy Bixler called the meeting to order at 8:33 a.m. The meeting was held via Zoom videoconference, Harold Klinger attended in person at the Talbot County Visitors Center at 11 S. Harrison Street in Easton.

**Board Members Present:** Jessica Bellis, Judy Bixler, Angela Eade, Ron Engle, Kristen Greenaway, Michael Hoffmann, Harold Klinger, Amy Kreiner, Laura Price, Mark Salter, Cassandra Vanhooser, and Kimberly Weller

Board Members Absent: Ian Fleming

Staff Members Present: Krista Boothby, Pam Keeton

Guest: Jessica Morris, Assistant County Manager, Talbot County Government

### **II.** Approval of Minutes

Ms. Vanhooser presented the minutes from the October 13, 2021. Ms. Bixler noted that she noticed a couple of mistakes that needed to be corrected. She then asked the board to signify their approval which generated a thumbs up all the around.

### **III.** Proposed Public Accommodations Tax Increase

Ms. Bixler thanked board members for taking time to attend the special session regarding a possible increase in the public accommodations tax for Talbot County. She noted that members had received the packet of materials late on Tuesday, Oct. 26, explaining the proposal being presented by the Public Accommodations Tax Committee. She then introduced Harold Klinger, who chaired the committee.

Mr. Klinger reported that the committee met three times to vet the idea of an increase in the public accommodations tax. The last meeting was held at 3:30 p.m. on Tuesday, Oct. 26, after which the committee instructed Ms. Vanhooser to send the proposal to tourism board members. He apologized for the late delivery, but noted that the committee wanted to present a complete overview of the tax question. He then asked Ms. Vanhooser to present the proposal.

Noting that participants have all of the data in hand, Ms. Vanhooser offered a streamlined look at the issue. She outlined the committee's proposal as follows:

4% = Allocated as currently legislated.

+ 1% = Allocated as currently legislated, with proceeds from payments made by lodging establishments located in whole or in part within the corporation limits of a municipal corporation in the county or located within a one-mile radius of the corporate limits of a municipal corporation *paid to the governing body of the municipal corporation*. Revenue collected outside municipalities allocated to Talbot County government.

+1% = Net proceeds allocated to *Talbot County government* to be appropriated in the annual budget *to promote and support the travel and tourism industry and/or economic development activities* in Talbot County.

6% = Total Public Accommodations Tax Rate for Talbot County

Then she addressed the reasons the committee was making a unanimous recommendation to proceed. Those included: 1) Talbot County has not raised its accommodations tax rate since 2005. Today, we have the lowest rate in the state. 2) Planning now helps create long-term sustainability for the work of Talbot Tourism. 3) Additional revenue can be reinvested in tourism development to maintain Talbot County's position as a premier travel destination. 4) Visitors help pay for the services they use.

In addition, Ms. Vanhooser shared the accommodations tax rates for each county in Maryland, as well as a fiscal year estimated of increased revenue if the accommodations tax were increased by 2%. She ended by stating that the additional resources would support the work of Talbot Tourism, and she showed County collections as they are currently, what they would be with a 2% increase, and totals if the second 1% increase were allocated to the County. (See attached presentation.)

Board members then engaged in a lively discussion before Mr. Hoffmann asked if the chairwoman would entertain a motion. Assistant County Manager Jessica Morris noted that the meeting with the State Delegation is scheduled for Nov. 16 at 6 p.m. in the Bradley Meeting Room.

Ms. Vanhooser offered that there were two alternatives for a motion. One would be to make a motion to pursue the process of raising the tax. The other was that someone could make a motion to recommend to the County Council that they take sets to raise the tax, including the required legislation.

After additional discussion, Mr. Schneider made a motion that the Board recommend to the Council that they raise the tax. Mr. Klinger seconded the motion. Ms. Vanhooser called the roll, which resulted in the following vote.

Harold Klinger – Yes Ian Fleming – Absent Michael Hoffmann – Yes Amy Kreiner – Yes Jessica Bellis – Yes Kristen Greenaway – Abstained Jeff Schneider - Yes Mark Salter – Yes Ron Engle – Yes Kimberly Weller – Abstained Angela Eade – Yes

Councilwoman Price said that she would move forward with introducing the appropriate legislation, but noted that the Council would not move forward without some indication of town support. Board members agreed to approach the elected officials in the municipalities to gauge their support.

## IV. Next Meeting

Ms. Vanhooser reminded members about the MEDA Rural Economic Development Session sponsored by PNC on Thursday. Ms. Bixler followed with a reminder about the Maryland Travel and Tourism Summit on Nov. 8-10 and Coffee and Conservation on Nov. 12 at the Waterfowl Festival.

Members will be invited to any public meetings that occur in response to the public accommodations tax increase before the next regularly scheduled meeting on December 8 at 8:30 a.m.

### V. Adjournment

Ms. Bellis moved that the meeting be adjourned. Mr. Schneider seconded the motion, which passed unanimously. The meeting adjourned at approximately 9:30 a.m.