

Newport & Bristol County Convention & Visitors Bureau

DBA Discover Newport

Special

Board of Directors Meeting

12pm – Wednesday, May 13, 2015

Held at:

Gateway Information Center

23 America's Cup Ave.

Newport, RI

MEETING MINUTES:

The meeting was called to order at 12:06pm by Chairman Len Panaggio.

BOARD MEMBERS IN ATTENDANCE WERE:

Stephan Brigidi, Greg Fater, Matt Gineo, Rocky Kempenaar, Duncan Maio, Karen Oakley, Len Panaggio, Barbara Pelletier, Paul Rodrigues, Brewer Rowe, Rusty Sallee, Marlen Scalzi, Laurie Stroll

BOARD MEMBERS ABSENT & EXCUSED WERE: Nancy Blount, Rick Peckham, Pieter Roos, Kathleen Seguin

BOARD MEMBERS ABSENT & NOT EXCUSED WERE:

STAFF PRESENT WERE: Evan Smith, Cathy Morrison, Tim Walsh, Kathryn Farrington, Alyson Adkins, Anna Duffy,

I. UPDATE ON STATE BUDGET EFFECT ON DISCOVER NEWPORT:

Evan Smith briefed the board on the following updates regarding the state budget timeline:

March 13, 2015 - The Governor released her budget. The budget calls for reducing 50% of the funding for four of the six regions (leaving Providence and Newport “whole”). There was no prior dialog with any of the regions asking for any input on the tourism portion. Our concern becomes the fiscal approval process for our funds. The Providence Journal publishes an editorial piece criticizing tourism regions on this date.

April 7, 2015 - House Finance committee hearing at the state house. The committee heard many complaints about cutting some tourism regions and not all regions. I submitted my testimony in writing outlining what we support, have concerns about, and what we oppose in the Governor’s budget.

April 16, 2015- Senate finance meeting – I testified that we support the tax being levied on Airbnb properties and small lodging under 3 rooms. I shared with the committee the history of the 21 % of the lodging tax being shifted away from state tourism for other development. I testified that combined, those funds should be able to support a vibrant branding campaign for the state.

April 24, 2015 - The (6) tourism districts were invited to a meeting at the State House by Commerce Secretary Stefan Pryor. Wade Gibson, Chief of Staff for the Commerce Corporation ran the meeting. He outlined a proposal on setting up a new state tourism office outlining their vision for a board of director's structure and how the new tourism organization may be set up independent of Commerce RI. Wade announced a new proposal reducing our budget from 47% to 40%. That translates to 15% of our budget in dollars (\$400,000). Wade pointed out that with new revenue tax revenue expected from Airbnb and other online sites that our net revenue difference would only be 9% based on projections done by Paul Dion in the state finance office. I requested their proposal in writing in order to discuss and review policy with our board. Wade summarized this proposal by stating the Governor is prepared to invest the 21% of the lodging tax (\$3.5 million) plus another million from the general fund but she is looking for investment from the regions that would add another 1 million to the overall campaign. No commitment was made to accept this plan. Each district understood it would need to discuss this plan with each of their governing boards.

May 1, 2015 - The Governor contacted me by phone. She asked what progress has been made in moving the state tourism office project forward. I explained to her two key things;

- I had not yet briefed my board on the proposal to reduce our funding from 47% to 40%. I told her that I felt is way too much for us to invest. I inform her that I would like to set up a meeting between Stefan Pryor**

and my board of directors so that many questions can be answered.

- I suggested that efforts should be made to involve other investors in this project; Manufacturers, corporations, colleges, universities, Philanthropic organizations, Airport Corporation, Bridge Authority, Malls, etc.

May 7, 2015 - Our Governance committee met with State Sen. Teresa Paiva Weed. (Greg Fater, Len Penaggio, Karen Oakley, Brewer Rowe and Laurie Stroll.)

May 9, 2015 – State Sen. Paiva Weed called a meeting with Commerce Secretary Stefan Pryor and invited Pat Breslin, State Rep. Deb Ruggiero, and Greg Fater to better understand the gap in the funding proposal. Secretary Pryor briefed the group on the projected board structure of a new tourism office and outlined how it could be funded. Evan Smith requested that more details be sent to him on the Airbnb projections.

May 13, 2015 -A special board meeting was held in order for Evan to brief the board member on updates to the state budget.

Discussion followed. It was decided that the board would invited Commerce Secretary Pryor to our next meeting on May 19 to have a conversation regarding the budget and breakdown of funding pending.

II. OTHER BUSINESS: A new treasurer for the board is needed due to the resignation of Katie Wilkinson. This will be discussed further at the May 19th monthly meeting.

III. ADJOURNMENT: The meeting adjourned at 1:19pm

**The next Board Meeting will be held
Tuesday, May 19, 2015 @ 12pm**