

VISIT BALTIMORE

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MEMORANDUM

TO: Chairwoman Anne R. Kaiser, House Ways and Means Committee
FROM: Chairman Dereck E. Davis, House Economic Matters Committee
DATE: Al Hutchinson, President & CEO February 3, 2021
RE: HB 612/SB 496 Recovery for the Economy, Livelihoods, Industries, Entrepreneurs and Families (RELIEF) Act

Destination marketing organizations (DMOs) like Visit Baltimore are responsible for driving visitation to communities nationwide, bringing traveler spending that promotes economic activity and creates and supports local jobs. This spending is brought by leisure travelers, convention business, group tours, and more.

But due to the COVID-19 pandemic and the subsequent economic fallout, 58% of American DMOs have had to lay off or furlough staff and, nationally, more than 40% of all DMO travel workers are now out of work.

Visit Baltimore has laid off two dozen full-time staff, as well as more than 40 part-time staff. Many other hospitality groups in the city have been forced to take similar measures—a huge blow to so many hard-working Baltimoreans who relied upon the industry for their livelihoods and economic advancement. In recent years, more than 86,000 local residents were employed by the tourism and hospitality industry; in a city where 70% of the workforce lacks the higher education required to access higher-paying jobs, sadly many tourism workers are out of a job and without a safety net.

DMOs are integral to our nation's recovery effort. Visit Baltimore needs strong support and partnership from local and state leaders so that we can keep up the work that helps our community, our city, our state and nation get back on its feet.

On behalf of Visit Baltimore, I respectfully request that the state grant the organization \$1,500,000 in critical capacity-building funds that will be used to immediately scaffold and support this important industry during tragic and unprecedented times. I would like to meet with you to discuss the importance of this funding, as discussed above. Of course, I will make myself available at your convenience.

Below, you will find additional details regarding our request:

- **\$750,000 for a COVID recovery "academy"**
Funds will be used to create a robust educational and informational series of programs to support staff that are struggling to operate Baltimore's cultural attractions, restaurants, historic sites, museum, and other small businesses. Virtual/online courses will provide marketing support, industry research, market analysis and expert advice on navigating the "new normal" of life during and after a pandemic.
- **\$350,000 for a marketing campaign**
Requested amount includes creative ideation and campaign development as well as advertising costs to support the reopening of our convention center, and to welcome large groups and meetings back to Baltimore.
- **\$250,000 event rebate program**
Funds will be proportionately disbursed to event organizers who book new meetings and events by June 30, 2021 and that actualize by March 31, 2022. These funds will be based on a dollar per room night basis and will help entice event professionals to book short-term events. Currently, event organizers are financially challenged with the impact of reduced attendance and the costs to provide technology to the virtual attendee. This has caused many event organizers to not confirm short-term meetings, move their events to 100%virtual, and wait until 2022 to hold in-person events.
- **\$150,000 two-part business development plan**
 - \$100,000 lead generation program
Partner with professional B2B lead generation company to give Visit Baltimore additional reach and assist in building larger funnel to address short-term needs.
 - \$50,000 readerboard service
To assist Visit Baltimore sales team in identifying smaller meetings, sporting events, and events with a regional, drive-in audience, that we do not currently have in our sales database. These will be the first to return to in-person events and help address Baltimore's short-term need periods and expedite recovery.

Lastly, we thank you for giving our request serious consideration. We believe that this immediate financial assistance to Visit Baltimore will allow us to do our part to reinvigorate a very important industry to both Baltimore City and the state of Maryland's economy.

The small businesses and the workforce in the travel and tourism footprint will greatly benefit from these proposed initiatives.

Additionally, we will be better positioned to welcome the leisure visitor and meeting and convention traveler back to Baltimore and Maryland in a very safe and welcoming way.

We appreciate your continued support and look forward to investing in an economic generator in our state.