



Travel and Recreation Council Meeting Minutes

Thursday, January 20, 2022
10:00 am – 12:00 pm

Members in attendance: (all virtual) Brian Cain, Willie Docto, Karen Duguay, Maricela Ehmann, Matt Harrington, Molly Mahar, Amy Spear. **Absent:** Jody Fried, Jeff Lawson, Steve Wright.

State of Vermont agency staff participating: VDTM: Heather Pelham, Nate Formalarie, Sara DeFilippi, Lauren Masseria. ANR: Jackie Dagger. AAFM: Trevor Audet

Board action: Motion to approve minutes from November meeting by Brian Cain, seconded by Matt Harrington. Board voted in favor to approve.

State of the Industry Reports:

Amy: With Omicron concerns on the rise (concern is highest since Feb 2021) causing disruptions, travel sentiment fluctuating. 41% cancelled or postponed trip in last few weeks and this seems to be continuing, but on the positive side, 80% of travelers do have plans to travel in 2022. Avg number of planned leisure trips over next 12 months has hit a pandemic era high. Increasing trend of travelers looking for 'official' information from states – these resources are seen as authentic and reliable (vs social posts by businesses, etc.).

Matt: Immediate concern is surge but good to see cases dropping. Event organizers, bars are nervous, what are the rules to follow? Current discussions/plans are to not do much in Jan/Feb. Would like some state guidance about that. Festivals are pushing out dates to later in the Spring/Summer. Events that can't be postponed are going virtual, or parades/drive-by/outside. Acute pain is COVID surge – then lack of workforce, plus housing and childcare shortages.

Karen: Timing of Omicron after holiday season led to good season - stronger holiday sales and higher than average revenue year-end for retailers. Restaurants still struggling with staffing (shortages and out sick), different days and hours, staggered stops and starts. VTdowntowns.com new website, looking for content, data collection strategies. Reinvestment/Revitalization statistics to be shared next month. Towns gearing up to implement regional marketing grants. Jan/Feb/Mar is tough time for retail, please support your downtowns.

Amy: Similar to observations Karen shared re: retail – attractions and lodging are seeing generally flat in numbers, but more revenue. Yield per customer is higher.

Maricela: Difficult landscape for planning, generally fewer winter weddings b/c of weather implications, and they tend to be smaller, so not seeing wide-spread cancellations. 2022 is basically fully booked industry-wide, shortage of venues, catering, and rentals. One of the largest total number of marriages in the state for the past 10 years. Expecting to see record numbers, and already getting excessive inquiries for 2023 and 2024. Difficulty in staffing, tapping into local colleges, high school students. Collaborating with other industries or organizations that may be in their downtime. Conversations on an individual level for requiring vaccination or not, or requiring testing, most will require one or the other, but an easy conversation with less pushback. Trying to recruit BIPOC vendors. Local vendors have said they are booking diverse clients who are looking for

recommendations on other vendors that match their background. Working on a database of options – currently 25 people on the list. People booking further out than normal: 2 to 3 years out. This is good and hopeful, but hard to manage serving those customers w/handling “this year” actual events.

Molly: Generally, demand for skiing has been strong. Travel from Canada way off with Canadian policy still asking folks to curtail nonessential travel. Staffing issues, down in general and then workforce out sick. Some venues have to close, or are closing midweek, reduced hours. Weather has been challenging, limited terrain early season and over the holidays, numbers good, but terrain limited. Limitations on staffing effects snowmaking and housekeeping. Challenging to get international workers, but ended up ok (want local workers, but still need more). MLK extreme cold was limiting, Sunday sunny, Monday storm tough for travel but happy for base. Struggling to get rapid tests for workers, working with state on vaccine clinics, especially helpful for international staff needing boosters. Some cancellations, but cold also keeping numbers down. Hopeful about weather helping rest of season, staffing will continue to be a limiter.

Willie: Not seeing cancellations due to Omicron, recent last minute bookings for people who had planned to travel internationally or distant domestic but changed plans as barriers to travel too great. Vermont closer, also seen as safe. Some properties very strict on proof of vaccination, for Moose Meadow, if not vaccinated, require negative test. People comply without a problem. Now considering asking that question, too (i.e. have you had covid recently). Local restaurants have had to close re staffing.

Brian: Fast bookings, fast cancellations. MLK started strong: 5 days out, 80-90% occupancy – but then dropped to 50%. Travelers using OTAs have no flexibility, tough for local properties when they can't cancel – e.g. customer is mad b/c they booked via Travelocity and can't cancel. Encourage direct booking! Lots of covid positive staff, very happy with ACCD decision tree to help employees navigate what to do. Encourage all to stay flexible with quick reservations and quick cancellations. Adjusted rates for February and saw 100 bookings over the weekend. Mask mandate helps employees encourage masks, 95% good about masking, most find comfort. One conference group was very challenging - anti-vax group that refused to cooperate.

Amy: Restaurant/hospitality update: staffing still biggest concern; ‘worst’ since beginning of pandemic b/c of combination of staffing shortages, demand from consumers, increasing commodity costs (10 year high). Also scarcity of rapid tests, lots of disruption. Challenges shared across industries. Haves and have-nots re: restaurant revitalization fund. “Rising tide” didn't really happen – some restaurants got grants, others did not. Asking for kindness and patience is probably most needed.

Staff Updates:

Heather Pelham, VDTM Commissioner: All eyes on the legislature now. Governor's address: proposal for \$8.5M investment in recruitment and relocation. Funding broken down between grants for regions (12 regions, \$100K (proposed) annual grants for 3 years), marketing support (VT brand awareness, but also targeted for professions where we have workforce crisis), also additional staff person for VDTM to support network and grants. Planning to disburse with competitive RFP. General timeline: access to funding July 1, RFP open in summer, decisions made by Nov. Discussion to consider equity/inclusion as part of criteria. More funding for relocated worker program included in Governor's budget. Large amount of recovery money as well, ARPA funding to support economic development: grand list enhancement program, capital investment program, forgivable loan program, brownfields cleanup. EDA funding will give \$10.4M to tourism destination marketing, so not asking for more in budget. Brand study work, research, making most of this investment. Shared slides on winter campaign. \$400K investment (double past seasons). Digital campaign, plus billboards can support powder alerts when weather cooperates. Content partnerships with SnowBrains and Atlas Obscura. Expedia campaign for Canada. Trip Advisor traditional digital – pilot program that will allow access to a tourism sentiment index for Vermont.

Nate Formalarie, Communications: Doing more video content with Matador Network. Will film this winter, then roll out for next season. Focus on ski culture in Vermont, told through the voice and eyes of locals. Working with AHS and VDH on vaccine and booster clinics. They are willing to come to businesses and venues. Testing with ski areas – PCR tests there.

Lauren Masseria, Recruitment: Update on Tourism and Economic Recovery Marketing Grants. Received 41 applications (\$1.1M in requests). Extremely competitive. Approved 22 projects with average award of \$27K. Example: art events, festivals, mapping projects. Organizations were municipal orgs, statewide trade groups, chambers of commerce. On Think Vermont, incentives page continues to be page most visited on site. Coming soon: regional relocation grants (proposed up to \$10K – no match required) for formal relocation program or progress on recruitment activities, etc. Limit 1 per county. Also coming soon: Better Places Grant Program: Richard Amore is contact. Scope to create inclusive and vibrant public places. Grants of 5k-40K – looking for crowdfunding match by community.

Sara DeFilippi, International: BrandUSA virtual tour operator meetings. Attending Receptive Tour Operator summit in NYC. Planning Receptive Tour Operator Fam Tour. End of March, Ottawa travel show – space available if anyone wants to join. No charge for space but pay for your own expenses.

Trevor Audet, Agriculture: Governor's budget includes \$100K for Vermont branding exercise for Vermont products. Should help Vermont farm and food businesses grow and increase distribution of food products.

Jackie Dagger, Outdoor Recreation: VOREC Community Grant Program update, received total funding requests of \$12.8M with \$5.1M available. Projects proposed include developing wayfinding/information signage, building parking, creating stewardship programs, creating better trail connecting, marketing to draw visitors. Hoping to make announcements in early to mid Feb. Excited that Governor has proposed another \$5M for the grant program. One time general fund dollars.

State Parks: (update given by Jackie): Merchandise sales for VT state parks were strong over holiday season. Camping reservations looking very strong. Looking to fill 400 positions for next season.

Legislative Updates:

Amy: Federal: Trying to get restaurant revitalization fund refilled. Only one-third of VT restaurants received RRF, estimated \$121M unmet need in VT alone. Hoping for movement in February

Molly: State: Record \$7.7M budget. Governor budget address -- never has been a more transformative moment than now. We have a \$234M surplus in general fund, and \$90M in ed fund. Proposing to give back half in property tax relief. Investing \$1B ARPA money: 5 areas: broadband/cell, water/sewer, housing, climate change, economic recovery. Big focus on workforce development.

Amy: Update on Bridge Grants and Rental Registry from last session. \$26M still sitting in that pool. Main points are to keep money in business program and don't redirect. Still have a lot of need. Also adjust criteria to make it easier to access funds. Give ACCD greater discretion and prioritize hospitality. New bill S.210 similar to S.79 but trying to find compromises w/governor objections.

Amy Cunningham, Vermont Arts Council: VT Creative Futures bill in legislature right now. Trying to organize creative economy as a whole, advocating for funding for organizations that sustained big losses – both

for profit and nonprofit. Also support for facility adaptations, public programming support, creative space programs.

Around the Room Discussion:

Topics for Upcoming Meetings:

- Brian: Northern Vermont University – what should we be doing w/VT state college system?
- Molly: Housing
- Carrie Simmons, Stowe Area Association: Workforce and Housing
- Data and resources: how do we collaborate on research and data collection, and make the most of investments others are making.
- Nick Bennett (VMBA): outdoor recreation discussion.
- Maricela: invite VTPOC (VT Professionals of Color Network) to speak on what they do to support youth programs, posting on job boards to diversity workforce. Tap into their resources