

Town of Provincetown  
Visitors' Service Board  
Meeting Minutes from  
December 03, 2008  
Tourism Office 330 Commercial Street

Members present: Rob Tosner, Chair; Kathleen Fitzgerald, Vice Chair; Michael Peregón; Rita "Hersh" Schwartz; Michelle Haynes and James Bakker,

Member absent: Mick Rudd

Staff: David Gardner, Assistant Town Manager, Lisa Bowden, Tourism Director; and Jackie Kelly, Administrative Assistant – Tourism Office

Others: Rick Murray, Lynn d'Angona, Sheila McGuinness, Peter Okun, Wave, Gigi Ledhovsky, Jeff Stranger, Barbara Rushmore, Steve Melamed

The meeting was called to order at 3:05 pm

**Agenda:**

The Provincetown Visitor Services Board will hold a Public Hearing on Wednesday, December 3, 2008 at the Freeman Building, 330 Commercial Street, Provincetown, MA at 3 PM to receive comments from the public concerning the proposed Five Year Plan / Budget for 2010 – 2014.

The public is encouraged to submit written comments to the office of the Tourism Director, 260 Commercial Street, Provincetown, MA 02657 by 4 PM on Monday, December 1, 2008 or in person at the hearing.

*Rob Tosner, Chairman  
Visitor Services Board*

The FY 2010 Five Year directs 45% to of room tax revenues to the VSB, the balance going to the water management fund and other municipal projects. The taxes were reported as being \$20,000 down from the previous year, and therefore, results in a level-funded budget for July 1, 2009 to June 30, 2010 (\$103,000 in grants). 49.53% of that total is designated for marketing, web presence, trade, PR etc. Coordination and Support (salaries, office, lights etc) remains the same as two years ago, at \$79,000.

It is felt, and was expressed at a meeting with the Town Manager that the DPW should assume the cost of tourist-based amenities and that \$10,000 from the VSB budget should go to bike racks and the like and \$10,000 to the DPW.

The Beautification Committee has recommended its priorities to the VSB, and as a result the town now has the new Waterfront Park and is planning on shrubbery for the future. Rick Murray (Crown & Anchor, Mussel Beach) spoke first in response to a request for public comments. Rick had gone to the Board of Selectman regarding the fireworks, had gotten a verbal promise from the police and the Town Manager that they would revisit the budget after this last Labor Day. Extra police, ambulance and DPW would all come from the respective budgets, and the "extra" item would be the fireworks themselves. There is a balance of \$7,000 in the gift fund and it should go only to fireworks, not to the DPW. From the accountant's office he determined that there was an item for \$2,000 for food and wants to know who made that decision since it was not in the agreement. The actual fireworks cost \$25-30,000, \$14,000 of which came from the VSB and the rest from the business community. Rick suggests that the money should come from the VSB. He notes that attendance has been less and less in recent years. It is important, he says, to stop thinking of the fireworks as an expense that pays for an event lasting only one hour. Many people plan their time here around the fireworks, staying 4 to 7 days and spend millions of dollars here on accommodations, food, shopping, parking etc. The cost of fireworks represents only 1/200<sup>th</sup> percent of that income, he estimates.

Rob Tosner asked for Rick's recommendation on how the VSB budget should be re-planned to find money for the fireworks, and whether it should come out of marketing, or grants which include events like Women's Week. Rick wants to see where the \$103,000 went, and wonders how successful those events were. There were grant requests for \$250,000 for 2009 and only \$103,000 available to be awarded.

Michelle Haynes commented that though the grants have emphasized shoulder-season expenditures, perhaps that is an issue that must be revisited.

Rick Murray thinks that we need to support our niche market on Memorial Day and the 4<sup>th</sup> of July. The business community wants it, it is their very lifeline, he said, and again emphasized that the fireworks don't bring in money just on that one day, but actually for the entire week. He further noted that January, February and March will be "dead" anyway, but we need to increase the summer revenues when business is possible. Rob Tosner commented at that time that newly approved taxes on condo rentals will increase revenue.

Steve Melamed, Bayside Betsy's asked if the DPW contributes to the fireworks. The budget was designed for direct expenses; was structured one way, but now the VSB is being eroded for those expenses. Townspeople feel that the town should bear responsibility; if the town wants something, the town should pay for it.

Lynn d'Angona, a non-profit filmmaker doesn't want to see the grants fund being tapped for this expense, but asks if a little could rather be taken from each budget, i.e. from beautification, marketing, etc.

Rob Tosner noted at this time that the meeting is really about the 5 Year Plan, not just about the fireworks. He said that the \$210,000 marketing/advertising budget is miniscule in this day and age. Town government doesn't want to cut positions, so any increase would have to be approved by an override.

Revenues are down now, and we are being optimistic by planning a level-funded budget – we need to sustain the economy that we know will be the most revenue-producing, naming Memorial Day, July 4 to labor Day and the 2 days over the New Year holiday. He says the town must support and sustain our local businesses and can then strategically give money to others, in grants, for example. Contributing to the police and fireworks expenses are already a huge concession, and we must now stop asking the business community for the balance. The third barrel pick-up and the restroom staffing became the VSB responsibility as soon as we pointed out their need. But, it must be pointed out that the VSB already gives back 55% of the room tax revenue to the Town's general fund, and so we are already contributing. The VSB is charged with promoting the Town, not with funding the DPW budget. Eco-tourism, gay and lesbian tourism and other niche markets get only small amounts, Christmas and New Year's weekends in 2010 will each be short since they fall on Saturdays, so increased funding must be a gradual consensus, a "stop-gap" and not an override.

Sheila McGuinness spoke next. She identified herself not only as a guest-house owner who understood the needs of the business community, but also currently in the non-profit sector, since she works for the Provincetown Art Association and Museum. Donations to PAAM are down. They provide yearround jobs, entertainment, and are a destination for the seasonal and the off-season visitor. The grant money which the VSB has awarded is the only source of revenue in their advertising budget, so urges the board not to cut grants. They must advertise to draw those visitors, who in turn benefit the entire business community. The up-cape visitor, often ignored, comes to PAAM as a result of their programs, but then stays for lunch and/or to shop.

Michelle Haynes noted that the VSB will participate in a joint meeting with the Chamber of Commerce and the Board of Selectman, and that would be an opportune time to promote anything of special interest to Marlo.

Gigi Ledkovsky, of the Fine Arts Work Center said that the money awarded in a grant by the VSB is their only advertising budget. They draw 600-700 students/participants a summer, and faculty in addition. Their ads on WBUR radio promote the town as much as it does FAWC. Even though it is still early in the year, their phones are ringing with requests for summer 2009. Even small grants give the opportunity for niche marketing. The revenue they make from participants in summer then, in turn funds their fellowship program and therefore the shows and lectures given by fellows, which draw even more visitors.

Pete Okun, of the Purple Feather, says the community cannot afford to lose the 4<sup>th</sup> of July as a business opportunity. Differences in income at that time are measured in the thousands, but now, in the off-season the difference might just be \$50 or so. The Town, he says, need to support the retail community, to pull it out of its morass and notes the incredible array of retail shops in the Town. Many are now closing for lack of business. At this time of the year, the issue is not really tourism, but rather of shopping. We need to help the town grow by promoting Provincetown's retail attractions to the rest of the Cape; must do what is necessary to encourage businesses to stay open yearround which will keep people employed. Rob Tosner agreed that we have not done a good job in marketing to the regional market, that we need Cape shoppers and museum visitors, and must encourage regional tourism. Rob Tosner asked Pete for his help and energy in developing these goals. Michelle Haynes said that Holly Folly brings people from up-cape but also says that we haven't done a good job for retailers.

Mike Peregou commented that since we have given \$10,000 each to the Chamber of Commerce and to the PBG, we do already have a connection with the retail community. Steve Melamed noted that the Chamber of Commerce and the PBG have rules governing the co-op ads. The budget is required to increase by 2 ½ percent each year, but that this hasn't happened.

Pete Okun spoke again: more is required than just PR; if people come here they need things to do. Efforts are required across the board, including licensing and other encouragements to business.

Hersh Schwartz said that when she joined the VSB she made a commitment to stay open yearround. This has become difficult and she is open to any ideas, or miracles, to encourage mid-week business.

Don Knuuttila, PBG, said the business community must also work for itself. He recognizes that Rick Murray spends additional money to advertise his businesses, but feels that other businesses, because they are on Commercial Street don't. He says that the VSB, the Chamber of Commerce and the PBG can't be expected to shoulder all advertising. Galleries now fund and advertise to target markets, grants do bring in the shopper, but he asks the business community to more of the same.

Jeff Stranger of Plymouth and Brockton says that some of the buses run to and from Provincetown in the off-season have only single digit passenger loads, They need support from the community and said they would consider a trade-off by doing advertising on the back of the buses. Plymouth and Brockton's owner will be in town for a holiday business dinner.

Lynn 'Angona who does marketing in her day job, will suggest to Marlo that there be a ticker tape on the Tourism website showing which shops are open. She has done some research and says that nothing like that is out there now.

Rick Murray thinks that the Town Manager is now moving in the right direction to encourage business. He thinks that we must be flexible in our 5 year plan and must now concentrate on local, not on European market.

Steve Melamed suggested that we visit the Red Barn in Eastham and see that every bus which comes onto the cape stops there & that we do similar things to invite business here. There might be a trolley which will circle around town, stopping especially at all parking lots, so that tourists will be accommodated right at their cars. There should also be, he says, publicity about the opening of the new Stop & Shop, a sign and calendar of events outside the Tourism office. Michelle Haynes said that Marlo is already doing something about the new supermarket.

The Tourism Director introduced a letter from the Tennessee Williams Theater Festival which will be kept in the record. She said further that we are not committing to long term advertising budgets at this time; that room tax on condos might carry us through so that we might be OK for 2010.

Rick Murray asked that he be advised ASAP about the fireworks funding question, since he will go to the business community, but doesn't want it to be on crisis timing.

Mike Peregon suggested that the 50 cent per ferry passenger fee be increased to \$1 or \$1.50. Michelle Haynes said that transportation has been crippled and another increase would be counter-productive. Mike replied that fuel prices are down, but David Gardner, Assistant Town Manager said that fuel prices spike every season. He also said that staffing for the new restrooms at the firehouse has already been budgeted.

Michelle Haynes said that we would have to invite the ferryboat operators to a discussion if we planned any increase. It was noted that Boston Harbor will now be paying that fee, due to a change in docking, but that only Bay State had been paying before.

Hersh Schwartz said there must be money in the budget to keep the restrooms open. The Tourism Director has looked at the schedules and noted that though they will be closed at the MPL in January, February and March, there will be signs advising that there are restrooms available at Whalers' Wharf and the Public Library. She will bring in a summary of the recent meeting on the restrooms.

Mike Peregon suggested that the fireworks question be submitted as a grant request and its relative merits could then be evaluated against other requests. He suggested that VSB budget \$5,000 for fireworks and then ask the Board of Selectmen and the private sector to complete the funding. He would be willing to see that \$5,000 come from the money now designated to bike racks.

**Motion: The FY 2010 budget will include a municipal project line of \$5,000 and the remainder will be spent on bike racks.**

**Motion: Mike Peregon**

**Seconded: Jim Bakker**

**6-0-0**

