

WELCOME TO OUR WEBINAR SERIES

Funding Challenges in the Era of COVID -19

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PART TWO Preparing for Recovery: Now and Later

| April 29, 2020 |

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Review of Part One: Protection for Existing Funding & Emergency Funding Opportunities

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PART ONE RECAP



85% of destinations estimate that they will see their budgets negatively impacted between 50 - 75%.

Tourism Economics state in their April 15th Report, that while April is expected to be the most damaging month, the industry will be at 60% capacity by September 2020.

A recent report by STR & Tourism Economics shows hotel revenue will be at 50% by December 2020.

By mitigating travel losses in the second half of 2020, the US economy could gain close to \$150 billion in GDP and 1.3 million jobs by the end of the year.

Many US jurisdictions have considered deferring bed tax, property tax, or other fees.



Short Term Emergency Funding

Destinations should not delay their efforts to ensure the best possible result:

- EIDL – Loan program with up to \$10k grant. Some limitations to program, but may help with liquidity.
- PPP – c(6)s not yet eligible but gather all necessary financial data and substantiating information now. Contact your bank early.
- Employee Retention Tax Credit – Must show 50% decline Quarter over Quarter, but may be help some DMOs.
- Main Street Lending Program from Treasury – Not available yet, but will be administered through banks.
- CDBG, Economic Development Grants – Important to execute an advocacy strategy with Local Electeds and State Officials.

Laying the Foundation for Recovery



Quantify the Loss & Recovery Need

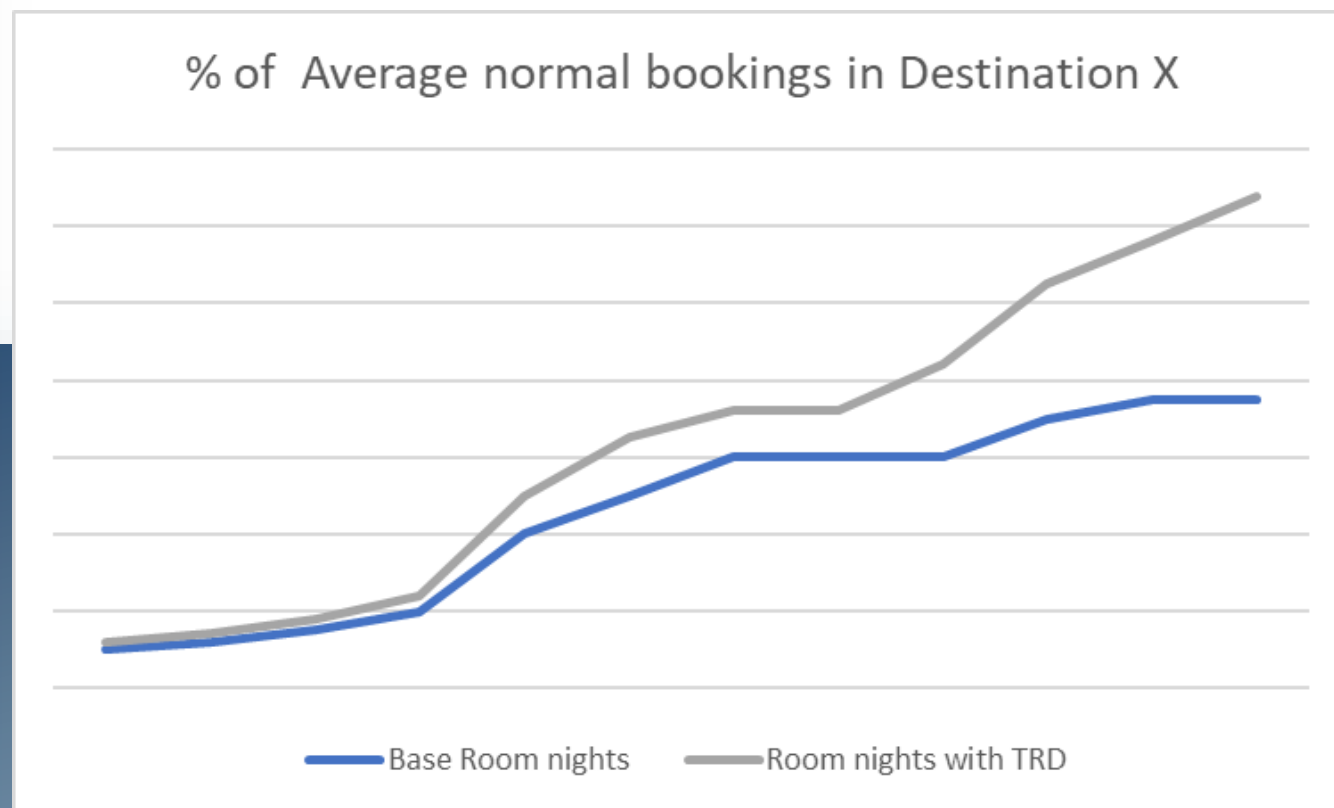


- Outline the Loss to your Organization; Programming, Staff, and Financial Reserves
- Quantify the economic impact of that loss
- Develop and Quantify the Recovery Need
- Identify Potential Funding Opportunities and *Resources*
- Anticipate the Impact of Programming Post Covid-19, *with and without adequate funding*

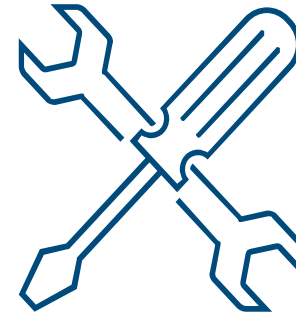
Get Ready



- Track data and news; Become your destination's expert and resource for local tourism businesses on travel and recovery trends from a regional and national perspective.
- Open the lines of communication with your stakeholders
- Paint the picture of your Marketing Plan post-Covid-19 with potential results and direct benefit.
- Depict the impact of Programming Post Covid-19, *with and without adequate funding*
- There is data to support; there is a direct relationship between moving quickly, being prepared, lining up your resources and destination recovery.



New Funding Tool



Self-Help Tourism Recovery District —..

We are proposing a recovery plan that does *not* require public funds, rather private assessment.

- **Expedited recovery**
- **Additional room demand**
- **Industry jobs**



Characteristics of **Self-Help Tourism Recovery Districts**

—...



Limited Non-Financial Ask of the Government



Scalability



Build A Reserve



Assessments cannot start prior to a Specified Date or Occupancy



Formation costs are reimbursable from District revenues.

The Recovery Plan

Requires the funds to be managed by the Destination Marketing Organization.

Requires funds to be spent in accordance with the Recovery Plan, with lodging businesses' oversight.

Collections and district do not last forever. They are set for a defined term, specifically outlined in the Recovery Plan.



Industry Panel Discussion



Hartmut Ott, Marriott Cleveland
Downtown at Key Tower



Martha Sheridan,
Greater Boston CVB



David Clark,
Visit Mobile



David Clark,
President &
CEO





MARRIOTT
CLEVELAND DOWNTOWN
KEY CENTER



Hartmut Ott,
General
Manager





GREATER BOSTON
CONVENTION & VISITORS BUREAU



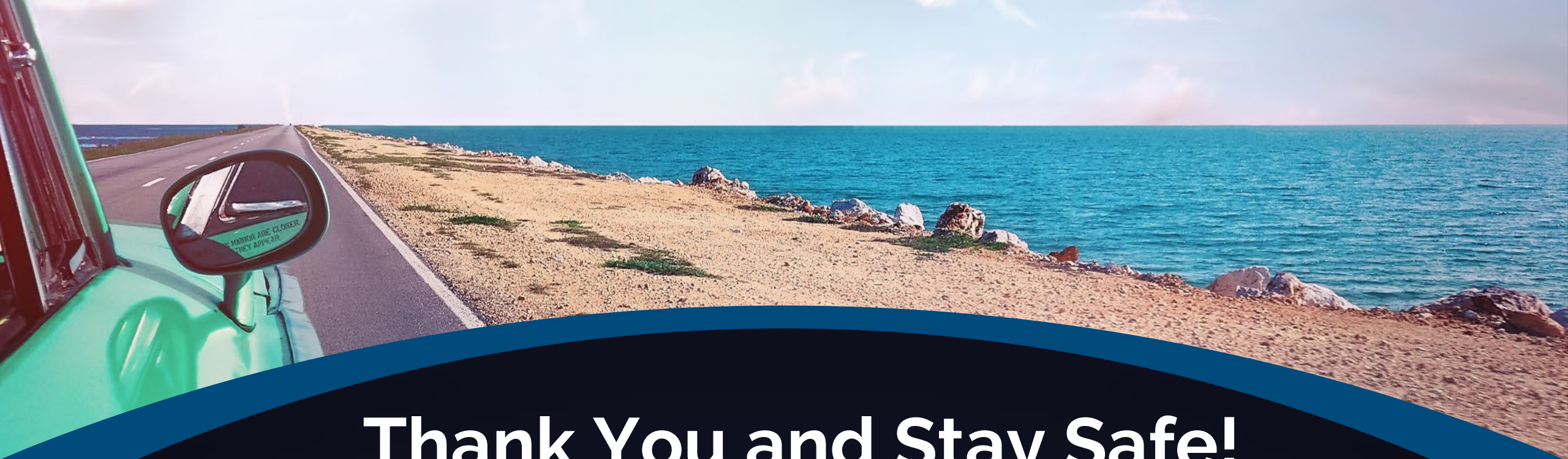
Martha Sheridan,
President & CEO





- ✓ Looking for more information?
Find handouts and links to other
industry partner information at our
website: www.civitasadvisors.com





Thank You and Stay Safe!

— ..

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Connect with us on Linked  !

