

Reopening Advisory Board

GBCVB/Regional Tourism Councils Report

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May 2, 2020



**GREATER BOSTON
CONVENTION & VISITORS BUREAU**

COVID-19 Impact on the Travel & Hospitality Industry

- STR Data
 - Hotel occupancy in March 2020 was 30.2%, down from 80.6% in March of 2019. Estimated occupancy currently is 10% with over 50% of rooms off-line
- Virtually every museum, attraction, performing arts venue, and tour/cruise company is closed. Restaurants can only offer takeout or delivery services
- Massport Data
 - Passenger volume was down 52.7% in March
- Hotel Closures
 - Currently 45 hotels in BOS/CAM are closed
 - This accounts for 15,000 out of 25,000 total rooms
- Citywide Cancellations
 - At least 27 Citywide Conventions originally scheduled for 2020 have either cancelled or postponed, costing the industry nearly 250,000 lost rooms nights

COVID-19 and Its Impact on the Hotel Industry

COVID-19 & ITS IMPACT ON THE HOTEL INDUSTRY

A Snapshot of the Impact
of COVID-19 on the Boston
& Cambridge Hotel Industry



In 2019 Boston and Cambridge had....

An estimated **25,700**
individual hotel rooms.



Average occupancy
reached **81.4%**.



Total room revenue in 2019
hit **\$1.98B** for Boston
and Cambridge combined.

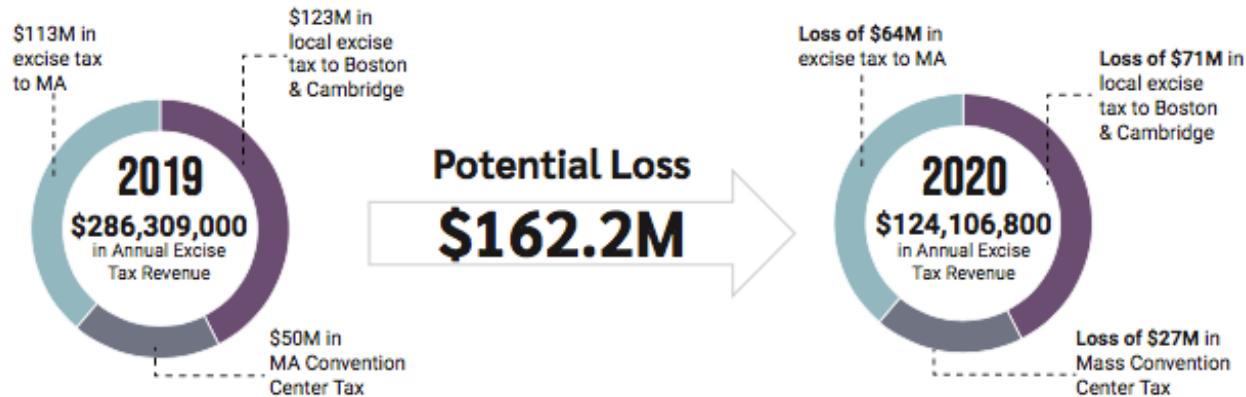


Each \$ = \$100M.

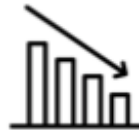
Data Sources: EMSI, Pinnacle Advisory Group, STR, Boston & Cambridge FY 2019 & 2020 Budgets.

COVID-19 and Its Impact on the Hotel Industry

What if Hotel Occupancy Drops to 45% in 2020 Local and State Tax Revenue Impacts



13,300 Jobs
in Boston & Cambridge
Hotel Industry sector



8,200 Jobs Lost
in Hotel Industry & jobs
that rely on Hotel Industry



\$27M in Lost Income Tax
Job losses could result in \$538M
of lost wages across hotel &
support industries

Data Sources: EMSI, Pinnacle Advisory Group, STR, Boston & Cambridge FY 2019 & 2020 Budgets.

Based on DPH Guidance, What is the Current Readiness Level of Your Industry?

- Create a safe physical workplace for employees (e.g. social distancing, PPE, sanitation, and screening protocols)?
 - Varies by business but most have been consulting with their national brands or formulating plans on their own.
 - Many are waiting for guidance from the Commonwealth on opening dates and recommended protocols
 - The availability of PPE products and other equipment will play a key role in timelines for readiness
- Create safe spaces and facilitate safe interaction for the general public?
 - Same as above

Based on DPH Guidance, What is the Current Readiness Level of Your Industry?

- Establish policies and protocols that support employees' ability to care for themselves and their families
 - This is being done but many have expressed the desire to have their employees tested. And employees have expressed a desire to be tested before returning to work.
- How long do you anticipate it will take your industry or stakeholder group to implement the steps outlined by the DPH?
 - Will vary depending on the size and nature of the business, their available cash, whether they are independent or branded
 - What "phase" they are designated for opening will play a role as well. Can base their practices on others before them.

Industry Barriers for Meeting DPH Guidelines

- No specific or comprehensive reopening guidelines from the Commonwealth.
- Limited access to PPE equipment for employees and visitors.
- No testing kits for front-line employees.
- No access to large volumes of cleaning supplies and sanitizer.
- Motivation of front-line workers to return based on UI payments.
- No cash reserves to enact new protocols for reopening.
- Legal guidance on liability is needed for establishments that are hosting a guest who falls ill, and what quarantine requirements will be in place.

What Critical Enablers are Needed for Your Industry to Reopen

- Healthcare system preparedness to meet the needs of visitors and transient travelers that may need those services.
- Clearly defined benchmarks and metrics to guide re-opening phases or, alternatively, to warrant another stay at home order. Effective channels of communication.
- The return of consumer confidence as it relates to travel and the willingness to congregate in a shared space, whether that be a restaurant, meeting venue, museum gallery, trolley tour, et al.
- The development of a dedicated portal for visitors that outlines protocols and guidance regarding traveling to the Commonwealth w/regional nuances for site specific amenities (ie. Cannabis)

What Enforcement and Inspection Mechanisms are Needed to Ensure Reopening Adheres to Protocols and Guidelines?

- Hotlines with trained individuals to field questions regarding protocols.
- Coordinated regional approach between local boards of health.
- A checklist for businesses to reference when preparing to open, and signed documentation to certify that they may reopen.
- Expedited process for those businesses that typically require on-site inspections.

How Do You Anticipate Altering Workspaces, Workforce Guidelines and Customer Interactions Over the Next 3-6-12 Months?

- Will vary by sector-most are using protocols established by national associations with guidance from the CDC.
- Requiring the following: masks (where appropriate), hand sanitizers, social distancing, adherence to maximum gathering requirements.
- Seek the opportunity to utilize contiguous outdoor space to expand business footprint.
- Encourage timed ticketing where appropriate to eliminate excessive wait lines. Encourage contactless transactions
- Installation of Plexiglass barriers for transaction-based areas and have clearly displayed signage for visitor instructions and guidance.

Has Your industry Developed a Playbook Based on Anticipated Guidance and Reopening Protocols?

- Many businesses are complete particularly those that rely on national brand policies
- Others are in process utilizing best practices established by national sector organizations and the CDC and pending further guidance from the Commonwealth.
- The Regional Tourism Councils are awaiting guidance from MOTT which we understand is forthcoming pending input from the US Travel Association

What Orders, Regulations and Statutes are Most Critical to an Orderly Reopening?

- Fast-tracked (fee reduced or free) permitting for expanded outdoor service to include street closures, tenting, parking lot/space usage, pop-up shops.
- Maximum gathering figures for meetings, events, weddings, concerts, attractions with a clear timeline, based on specific public health benchmarks and metrics, for accelerations or increases.
- Timely distribution of standardized signage articulating regulations and protocols.
- Reasonable quarantine guidelines that don't negatively impact the ability for interstate travel (average length of stay in MA is 2-7 days depending on type of accommodation and mode of travel).

How Much Advance Notice Would Your Industry Need to Reopen Effectively?

- Many businesses are ready to open dependent on the availability of items listed above related to staffing protection, permitting and approved signage, (summer season is crucial).
- Others will require more notice to re-enlist staff, stock inventory and install necessary equipment.

What Data and Metrics are You Using to Closely Track Industry Trends and Understand Public Health Metrics and Impacts?

- Covid 19 Trends via MA Health Dept and CDC
- STR
- Pinnacle Advisory Group
- Massport Data
- Bridge Traffic
- USTA Data
- Hotel Bookings
- Simpleview Data for Online Searches and Bookings
- Web Analytics
- MMGY Travel Monitor (behavior tracking)
- Trip Advisor
- Tax Receipts
- Air DNA

Pinnacle Advisory Group Poll: When Will Demand Return?



ANSWER CHOICES	RESPONSES	
▼ Spring (May/Jun)	2.33%	2
▼ Summer (Jul/Aug)	27.91%	24
▼ Fall (Sep/Oct)	23.26%	20
▼ Winter (Nov/Dec)	0.00%	0
▼ Q1/Q2 2021	6.98%	6
▼ Q3/Q4 2021	1.16%	1
▼ Too early to tell	38.37%	33

USTA Traveler and Consumer Sentiment Survey

- Travelers are starting to feel a little safer about engaging in all travel-related activities.
- 17% feel safe staying in a hotel (up from 13%)
- 31% feel safe visiting a park (up from 27%)
- Travelers are becoming more eager to travel when it will be safe and possible than they were 2 weeks ago – particularly for domestic road trips.
- 59% stated that they were eager for leisure travel when the crisis is over (up from 52%)
- 38% stated that they would be likely to take a domestic leisure trip in the next 6 months (up from 31%)

Examples of Reopening Plans and Necessary Public Health Guidelines

- [Wynn Hotels Public Health Plan](#)
- [Marriott Hotels Sanitizing Efforts](#)
- [Singapore Sanitizing Efforts](#)
- [American Hotel & Lodging Association](#)
- [Connect Meetings](#)
- [State of Indiana Reopening Plan](#)
- [State of Rhode Island Reopening Plan](#)
- [State of Ohio Public Health Protocols](#)

Ensure Level or Increased Funding for the Tourism Trust Fund, Currently at \$10 Million

- This fund is vital for the development of a comprehensive and integrated tourism marketing program for MOTT and the RTCs.
- Provides each region of the Commonwealth with resources they will need to reinvigorate travel and bolster small businesses.
- Most RTCs are 501c6s and therefore did not qualify for PPP and are reliant on private sector funding which has essentially dried up.
- Many RTCs have already made drastic cuts to their organizations and without these funds some could cease operations.

We are prepared to do our part in ensuring the safety of our workforce and guests, and in developing a long-term strategy for sustainability in the form of a Tourism Destination Marketing District

- This is an industry assessment that only requires the Commonwealth to allow its formation (like give state/city examples) and requires zero contribution from taxpayers in the Commonwealth.
- A TDMD allows hotels in a defined area to self-assess and collect monies that go into a fund managed by a Governance Board and deployed by a designated Destination Marketing Organization.
- Funds generated from a TDMD would be used to develop a comprehensive marketing program to rebuild the industry, put MA residents back to work and resuscitate tax collections.
- A bill currently under consideration by the House Ways and Means Committee would accomplish just this for any RTC in MA that chooses to establish one. Executive branch support is critical.

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THANK YOU

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