Tourism Commission Meeting Minutes
May 18, 2026
Convention Center Board Room 214 - 1:00 pm

The following individuals were in attendance:

Commission and Voting Members – Tourism Commission Chair and Council President, Matt James; Mayor Richard Meehan; Council Member John Gehrig; Jr., Council Member Carol Proctor; Voting Members; OCDC; Joe Wilson Dan Jasinski, HMRA. **Absent:** Sal Fasano, Chamber of Commerce

Staff Members Present – Terry McGean, City Manager; Tom Perlozzo, Director of Tourism; Larry Noccolino, Director, Convention Center Services; Jessica Waters; Director; Molly Wooten, Abigail Yesko, Kathryn Bethard; Fiona O'Brien, Marketing & Communications; Kelli Siebert; Kim Mueller, Director of Sales; Chip Woytowitz, Ashley Johnson, Mariah Cosh; Brenda Moore, Special Events Director, Lauren Davis, Mayor's Office.

Also present: Melanie Pursel, Worcester County Tourism; Zach Bankert, OCDC; Rina Thaler and Crystal Collins, Art League of Ocean City; Zach Bankert, OCDC; Amy Thompson, Chamber of Commerce, Susan Jones, OCHA; Bethany Hooper, OC Today-The Dispatch.

Tourism Commission Chair and Council President Matt James called the meeting to order at 1:00 pm.

APPROVAL OF MINUTES

MOTION to approve Minutes from **March 9, 2026** Tourism Commission meeting was made by Council Member Carol Proctor and seconded by Voting Member Sal Fasano. **The vote was (6-0)** with Voting Member Sal Fasano absent

ZARTICO PACING REPORT NEXT-GEN VISITATION INSIGHTS PRESENTATION by Bill Obreiter, VP Destinations, Zartico

Zartico is a data science company that helps Ocean City understand visitor origins, destinations, and future trends for decision-making. The tourism economy's impact uses big data sets like movement data from cell phone devices, credit card data, and lodging data.

Review Next-Gen Visitation Insights for Ocean City based on hotels and short-term rentals.
Data Sources & Scope
Hotel sample:

- 21 hotel properties (~2,800 rooms)
- Island-only, chain hotels, no independent hotels

Vacation rentals:

- ~7,200 total; analytics focused on ~2,800 professionally managed properties (direct POS connections).

Spending data:

- ~10% sample of in-market card-present transactions (tap/swipe).
- Focus on visitors traveling >50 miles (primary marketing audience).

Data is for trend and benchmarking, not a substitute for tax collections; revenue is treated as sample size, not absolute totals.

Gas Prices & Travel Cost Context

- Gas prices up from late February to April, then flattened, roughly in line with last year.

- Despite higher gas costs, driving trips to Ocean City remain cost-effective vs. air travel (e.g., flights to Florida for a family of four averaging >$650 before hotels/cars).
- Message: Ocean City remains "a tank or two" away from core feeder markets and is well-positioned on value.

April Performance (Hotels & Vacation Rentals)

- Blended revenue up ~4% vs. April last year across hotels + vacation rentals.
- With a 1% tax rate increase, tax collections could show ~5% YoY increase if results represent the full market.
- Daily demand analysis (day-shifted to align weekdays/weekends):
  - Strong first half of April, especially hotels.
  - Midweek softness in the middle of the month.
  - Strong finish; overall rate and pacing up vs. last year.

April In-Market Spending

Visitor contribution (>50 miles):

- ~76% of all in-market spend came from visitors >50 miles away (up 4% YoY).

Local businesses:

- After excluding chains, gas, supermarkets, big-box, etc., 56% of visitor spend went to locally owned businesses (about flat YoY).

Category trends:

- Accommodation spend share from long-haul visitors slightly down, but local/nearby (1–49 miles) accommodation spend up.
- Restaurant spend: 80% from >50-mile visitors; up 4% YoY.
- Retail spend: heavier share; prices and average transactions up.
- Gas spend share: roughly flat, even with higher prices, indicating people are still traveling and filling tanks.

Per-visitor/per-day figures:

- Average visitor spend: $162/day (+$2 YoY).
- Average restaurant transaction: + $6 YoY.
- Average retail transaction: + $8 YoY.
- Interpreted largely as price inflation rather than longer stays.

Feeder Market Insights – April

Shoulder season (April):

- Baltimore and Washington, DC are top feeder markets by volume and spend.
- Harrisburg shows higher spend per stay, more hotel-oriented, less day-trip behavior.

Spend allocation if a visitor spends $100:

- ~40% to food & beverage (up from 36%, i.e., ~10% relative increase).
- Slightly lower share to accommodations from long-haul visitors (offset by nearby visitors).
- Retail up; gas flat as share.

Hotel feeder market detail:

- Washington, DC: #1 for revenue.
- Baltimore: #1 for check-ins.
- Chicago: highest ADR (~$191).

Trending markets (AI analysis):

- Some feeder markets are gaining share (e.g., Scranton up ~3% in hotel revenue).
- DC/Alexandria shows notable decline in both reservations and revenue (>1 percentage point loss in share).

Average stay value:

- New York Metro, Pittsburgh: higher average reservation value vs. last year (Pittsburgh up ~$27).
- Eastern PA, Richmond, DC area: down in average stay value, ADR, and share.

- Pittsburgh highlighted as strongly trending, with longer stays, higher spend, and earlier booking.

Booking Behavior & Event Impacts
Country/Oceans Calling Announcements

Country Calling festival announcement (April 23–24):

- Massive spike in vacation rental bookings and revenue on those exact days.
- Announcement was about a month later than the prior year, and before the announcement, bookings (especially for October) were well behind last year.
- Post-announcement: bookings surged for October and also for every month leading up to it (June–September).

Oceans Calling:

- Already one of the highest demand weekends of the year (including Thursday); demand is up again this year, especially in vacation rentals.
- Announcements for Oceans Calling were also later vs. the previous year, requiring time to "catch up" in pacing.

Future-Dated Vacation Rental Bookings (made in April)

For June–September stays, analyzing ~7,100 vacation rental reservations made in April:

- Pittsburgh = #1 feeder market by far, larger than Philadelphia + Baltimore combined for these advance bookings.

For chain hotels (same period, April bookings):

- ~17,000 reservations analyzed.
- DC = largest feeder market by reservations and revenue.
- Pittsburgh ranked #5 for hotels but is dominant in vacation rentals.

Monthly Outlook & Pacing
May

May has historically been challenging.
Boardwalk Rock (mid-month event) was canceled, creating a visible dip in mid-May demand (RevPAR drop) for both hotels and rentals.
However, between early April and early May:

- Bookings improved across most categories.
- Vacation rentals flipped from down to up versus last year.
- ~$2M in new vacation rental bookings added for May in April alone (~200% vs. where May stood at the start of April).

Overall: May remains down vs. last year, mainly due to the missing Boardwalk Rock demand.

June

Strong positive turn from prior outlook.
Previously down ~2%; now pacing ahead vs. last year for both hotels and rentals.
ADR strength:

- Hotels: $318 (+~$20 YoY).
- Vacation rentals: +$40/night YoY.

Demand/RevPAR:

- A few soft days in early June; otherwise, RevPAR up on most days (especially for vacation rentals).

Outlook: June expected to finish up in both demand and rate.

July

Extremely strong booking growth in last 30 days:

- Vacation rental revenue on the books: from \$17M → \$30M (~+76% in one month).
- Hotel on-the-books revenue: up ~20%.

ADR:

- Previously flat vs. last year; now +4 USD YoY.

Pattern:

- Highest uplift in mid-July;
- July 4: ADRs are very strong, but occupancy slightly lower (still expected to fill in).
- For vacation rentals, almost every day in July shows higher RevPAR vs. last year; hotels are up most days except around week 2.

August

Previously behind; now caught up and outperforming:

- Market-wide revenue share up ~4 points.
- Vacation rentals added nearly \$10M in bookings in just 30 days.

Demand pattern:

- Strong early August (around Marsh Open event dates).
- Slight softness around August 11–14.
- Opportunity: target families for the “second to last week of summer” before school starts (around Aug 24 for PA/MD).

Almost every day up in RevPAR vs. last year, especially vacation rentals.

Midweek ADRs around \$375 at peak—very strong.

September & Fall

September hotels: pacing up vs. last year but growth has slowed.

Vacation rentals: big revenue jump; likely additional inventory coming onto the market.

Oceans Calling weekend in September is:

- One of the highest-demand periods of the year.
- Seeing continued lift from the recent festival announcements.
- Last 30 days saw significant additional revenue (e.g., \$100K for hotels for just the 3-day event period), with five months still to sell.

MARKETING & ADVERTISING STRATEGY (DARCI BANDI, VP ACCOUNT DIRECTOR, BVK)

2026 Strategy Alignment and Geographic Strategy for 2026

BVK collaborates closely with Zartico data to guide media strategy.

After last fall’s insights, the 2026 plan was re-geared geographically:

- Pittsburgh defined as a key growth market, based on longer stays, higher spend, and early bookings.
- BVK therefore “heavied up” media weight in the Pittsburgh area.

Early results (from Bill’s data) show:

- Pittsburgh is now leading vacation rental feeder markets and performing strongly in hotels, validating this strategy.

Additional focus markets:

- Philadelphia
- Washington, DC
- Baltimore (more “maintenance” presence since awareness is already high).

Channel & Performance Highlights

Campaign launched in March; about two months of data reviewed:

- Clicks up ~20% → higher interest and engagement with ads.

- Engagement up ~6%.
- Cost per click down ~13%, indicating greater efficiency.

NFL Draft Activation – Pittsburgh
To capitalize on Pittsburgh as a key market, Ocean City activated around the NFL Draft:
- Placements focused on high-traffic areas: downtown, North Shore (near stadium), Strip District, and key pedestrian/transit corridors.
- Used a mix of:
- Kiosks
- Ride-share screens
- Billboards
- Strategy emphasized reach and frequency, targeting the concentrated draft-related visitor traffic.

Hopper Partnership (Hotel Bookings)
Hopper microsite test in the fall was successful; the team extended it into March–April to:
- Drive early-season hotel bookings.
- Increase awareness and intent.

Year-over-year performance (Spring):
- Impressions up by ~10 million vs. last year.
- Hotel sales and booking volume both up.

Given May softness, the Hopper campaign was extended to encourage last-minute May trips, especially given recent favorable weather.

2027 & Creative Pipeline (Smile Campaign)
The "Smile" campaign launched in 2025, was extended in 2026, and is performing strongly again.
Planning is underway for year 3 (2027) of Smile:
- Audit current assets and identify gaps needed to tell a more complete destination story (e.g., different seasons, experiences, audiences).
- Additional production (photo/video) targeted for late summer/early fall to fill those gaps.

Longer term, a refresh of the creative platform is planned "under the Somerset Smile brand platform," with new assets to be presented at the January stakeholder meeting.

TOURISM & BUSINESS DEVELOPMENT – Tom Perlozzo, Director

New Staff & Certifications
Kelli Seibert hired as a part-time marketing associate, replacing Abby (who moved into a different role).
Mariah Cosh introduced as Destination Service Coordinator, focused on:
- Elevating the experience for meeting planners and event promoters.
- Coordinating special dinners, restaurants, team building, and other off-site activities with local businesses.

Kim and Jess successfully completed their CDME (Certified Destination Management Executive) designation:
- Training emphasizes destination management (beyond just marketing and sales), focusing on long-range, holistic strategy.
- Both noted the program improved their ability to look at the full destination picture and plan strategically.

DESTINATION SALES & OPERATIONS - KIM MUELLER, DIRECTOR OF SALES

Recent meeting planner FAM trip:

- Ten meeting planners brought in to experience Ocean City as a meetings destination, beyond leisure.
- Strong collaboration from county, hoteliers, restaurants, and venues.
- Very positive feedback; considered a successful investment in long-term group business.

Market-Specific Group Sales

Religious market:

- Slowly rebounding post-COVID, but is now an effective shoulder-season filler (especially Jan–Feb).
- Replaced an under-performing January gymnastics tournament with a large youth religious group, better meeting economic goals.
- Secured a November weekend that sold out the whole building to another religious group, filling late-year shoulder.

Sports market (Chip):

- Continues to perform strongly (“killing it with sports”).
- Replaced an under-performing cheer event with a volleyball tournament eager to use the TaraFlex sports courts.
- Validates the investment in portable sports flooring, enhancing the facility’s competitiveness.

Overall approach:

- Groups that do not meet projected attendance and room-night commitments are reevaluated and, if needed, replaced with higher-performing business.

RFPs, Leads & Awareness

Awareness of Discover Ocean City in the meetings market is increasing, evidenced by more RFPs and leads:

- Year-to-date: 44 hotel-level leads, representing potential of 8,000+ attendees and 9,000 room nights.
- Last year at this point: 23 leads → nearly double.

Conclusion: more planners are including Ocean City in their consideration set.

Media Feature – “All Access with Andy Garcia”

Ocean City was selected to be featured in “All Access with Andy Garcia”, focused on:

- Tourism-driven destinations evolving into more year-round locations via meetings, events, and festivals.

A 5–7-minute segment featuring Ocean City will air as a filler across multiple networks throughout the year:

- CNN, CNN Headline News, MSNBC, Fox News, Fox Business Network, etc.

The mayor and leadership were thanked for support; expectations are for additional visibility and traction for the destination.

CONVENTION CENTER OPERATIONS – LARRY NOCCOLINO, DIRECTOR

Current and upcoming business:

- Legacy group move-in underway; decorator started the previous day.
- Followed by three consecutive weekends of basketball:
  - Basketball courts (TaraFlex) to be laid Wednesday–Friday, remaining down for three weeks.
- After basketball: Maryland Bar Association, then MML (Maryland Municipal League), and MSFA (Maryland State Firemen’s Association).
- Overall expectation: robust June and July in the convention center.

Convention Center Facility Updates

- Close to formally renewing Sodexo as the convention center food & beverage provider.

- Exterior lighting has been completed, now mirroring the Boardwalk arch aesthetic at night.
- Upcoming review of a potential convention center expansion is planned.

SPECIAL EVENTS – BRENDA MOORE, DIRECTOR

Springfest & Lessons Learned

Springfest recently completed:

- Weather impacted the last day, but overall event was strong.
- Expanded layout and new elements were tested; team is still collecting feedback.
- Lessons learned will be applied to next year's Springfest.
- Acknowledgment of strong support from "the whole town."

Summer Kickoff & Core Programming

Memorial Day Weekend:

- Sunday ceremony with the mayor at North Division Street (by the Firemen's Memorial).
- 1:00 PM, with the Maryland Army National Guard band and a speaking general; wreath-laying at military insignias.

Sundays in the Park at Northside Park:

- Weekly concerts at 7:00 PM, followed by fireworks, starting Sunday, June 7.

OC Air Show:

- Scheduled for June 13–14.
- Includes the French Air Team, starting its summer tour in Ocean City.

Fourth of July & Weekly Fireworks

July 4 celebrations:

- Fireworks Uptown and Downtown.
- Expanded displays for the 250th anniversary.
- Downtown programming includes multiple bands and a speed painter creating fast, patriotic artworks.

Weekly fireworks:

- Thursdays, 9:30 PM, by the pier downtown.
- Sundays at Northside Park after Sundays in the Park concerts.

Other Summer & Shoulder Events

Sunset Park concert series:

- Thursday nights (details managed separately, referenced briefly).

Balloon Glow / Summer Kickoff:

- Planned for August 27–30 with hot air balloons, evening glows, and kites (weather-dependent).

Footvolley Tournament (international):

- July 30 – August 2, at Somerset Street.
- International teams from Italy, France, and others.
- Televised on an ESPN channel (likely one of the secondary/"Ocho"-style channels).

Movies on the Beach

Question raised about movie night at Third Street (e.g., May 15 event) and whether it will be regular.
Response:

- Currently only a couple of spring showings.
- There are separate movies on the beach at the Carousel (run by that property).
- Staff will double-check details with the Carousel's new management.

Overall Outlook

Group discussion noted that, despite broader industry "doom and gloom", Ocean City's data shows:

- Positive trends in many key performance metrics.
- Strong event-driven demand.
- Solid booking growth into summer and fall.

Motion to convene into Closed Session at 1:52 PM.

RESULT: APPROVED (6-0)
MOVER: Council Member John Gehrig, Jr.
SECONDER: Council Member Carol Proctor
AYES: Chair/Council President Matthew M. James, Mayor Richard Meehan; Council Member John Gehrig Jr., Council Member Carol Proctor, Voting Members Joe Wilson and Dan Jasinski.
ABSENT: Sal Fasano

CLOSED SESSION

A closed session was held as authorized under General Article §3- 305(b)(14): Before a contract is awarded or bids are opened, discuss a matter directly related to a negotiation strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process. This exception was invoked to discuss marketing contractual matters.

Persons present: Tourism Commission Chair and Council President Matthew M. James; Mayor Rick Meehan, Council Members John Gehrig, Jr., Carol Proctor; City Manager Terry McGean; Tourism & Business Development Director Tom Perlozzo; Marketing & Communications Director Jessica Waters.

No action was taken

Motion to adjourn the closed session at 2:45 PM.

RESULT: APPROVED (4-0)
MOVER: Mayor Richard Meehan
SECONDER: John Gehrig, Jr. Council Member
AYES: Council President/Committee Chair Matt James, Council Member Carol Proctor

Motion to adjourn the Tourism Commission meeting at 2:46 PM.

RESULT: APPROVED (4-0)
MOVER: Council Member John Gehrig, Jr.
SECONDER: Council Member Carol Proctor
AYES: Council President/Committee Chair Matt James, Mayor Richard Meehan