



To: Yi-An Huang, City Manager

From: Melissa Peters, Assistant City Manager for Community Development

Date: March 30, 2026

Re: Awaiting Report 26-09 dated January 12, 2026 regarding review and report back to the Council on (i) legal parameters related to City funding and Tourism Destination Marketing District restrictions, and (ii) oversight and accountability related to the operation of the visitor information kiosk, and related governance expectations, including alignment with City priorities.

Tourism Destination Marketing District Overview

Tourism is a core component of Cambridge's economic infrastructure. The Cambridge Office for Tourism was established in 1995, after an extensive planning process as part of the Mayor's "Cambridge as a Destination" Commission. The City has funded the Office for Tourism to support international and national visitor¹ promotion and destination marketing. From its inception, the Office has expected to seek additional funding sources, and in 2021, the Cambridge Office for Tourism and Meet Boston partnered to create the Boston-Cambridge Tourism Destination District (BCTDMD).

Tourism Destination Marketing Districts (TDMDs), authorized under M.G.L. Chapter 40X, operate similarly to Business Improvement Districts, but are focused on tourism marketing. TDMDs allow lodging businesses within a defined area to collectively fund tourism marketing through a special assessment of up to 2% of hotel room revenue, applying only to hotels with 50 rooms or more. TDMD funds are legislatively defined as supplemental, not replacement funding. The funds are intended to support new projects and initiatives that have not previously been funded by municipalities or other funding sources — not to displace existing appropriations.

The funds are restricted to marketing and promotional activities that benefit the district.

¹ The Commonwealth of Massachusetts defines a visitor as anyone who travels 50 miles or more to a destination.

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City Budget vs. TDMD Funds			
	City Budget Funding	TDMD Funds	FY26 Funding Amount
Source	Public municipal funds	Hotel assessment paid by customers from hotels with 50+ rooms	FY26 City Funding: \$532,000 YTD TDMD Funding (as of 3/11/26): \$802,419 (due to quarterly payments, of which only 2 have been received) Forecasted FY26 TDMD funds: \$1,190,052
Use Flexibility	High: staffing, planning, Visitor Center	Restricted: sales, marketing, promotions, staffing	
Accountability	COT Board, City Council, taxpayers	TDMD Oversight Committee, COT Board	
Stability	Predictable	Volatile/Market Dependent	

State law requires TDMDs to have a committee of local hotel representatives to oversee fund use. The Cambridge Office for Tourism complies with this requirement through a nine (9)- member board composed of hotel general managers, ensuring transparency and alignment with statutory guidelines. Recent TDMD funds have allowed the Office to:

- Increase marketing and brand awareness through a new campaign
- Hire an advertising agency with abilities to create and execute extremely targeted ad campaigns for both travel and meeting/event planner markets
- Bring the MICHELIN Guide to the City
- Create a grant program for community events, including support for business associations. Since TDMD's inception, more than \$690,000 in total grant funding has been awarded

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through this program, supporting community events and initiatives, including those led by business associations.

The introduction of TDMD funding has proven to be instrumental in expanding the Cambridge Office for Tourism's reach and impact.

Recent campaigns highlight the strong impact of TDMD-funded marketing. As two examples, Expedia advertising generated 9,742 additional hotel room nights and \$3.8 million in gross bookings from a \$157,000 investment—bringing \$19.65 in visitor spending for every \$1 invested. A targeted Uber campaign at Boston Logan Airport reached 272,000 out-of-state travelers, produced 767,000 impressions, and drove 12,000 visits to the Cambridge tourism website with a 94.1% engagement rate.

Hotel operators – as well as restaurant and attraction owners – have responded very positively to the program, recognizing the direct benefits of coordinated, well-funded marketing efforts that drive visitation and revenue across the local economy. This strong support was formally demonstrated when more than 80 hotels unanimously voted in October 2025 to renew the program for an additional five years. The renewed term will begin in October 2026, securing this critical funding stream and underscoring its effectiveness and value to the local tourism industry.

Harvard Square Kiosk

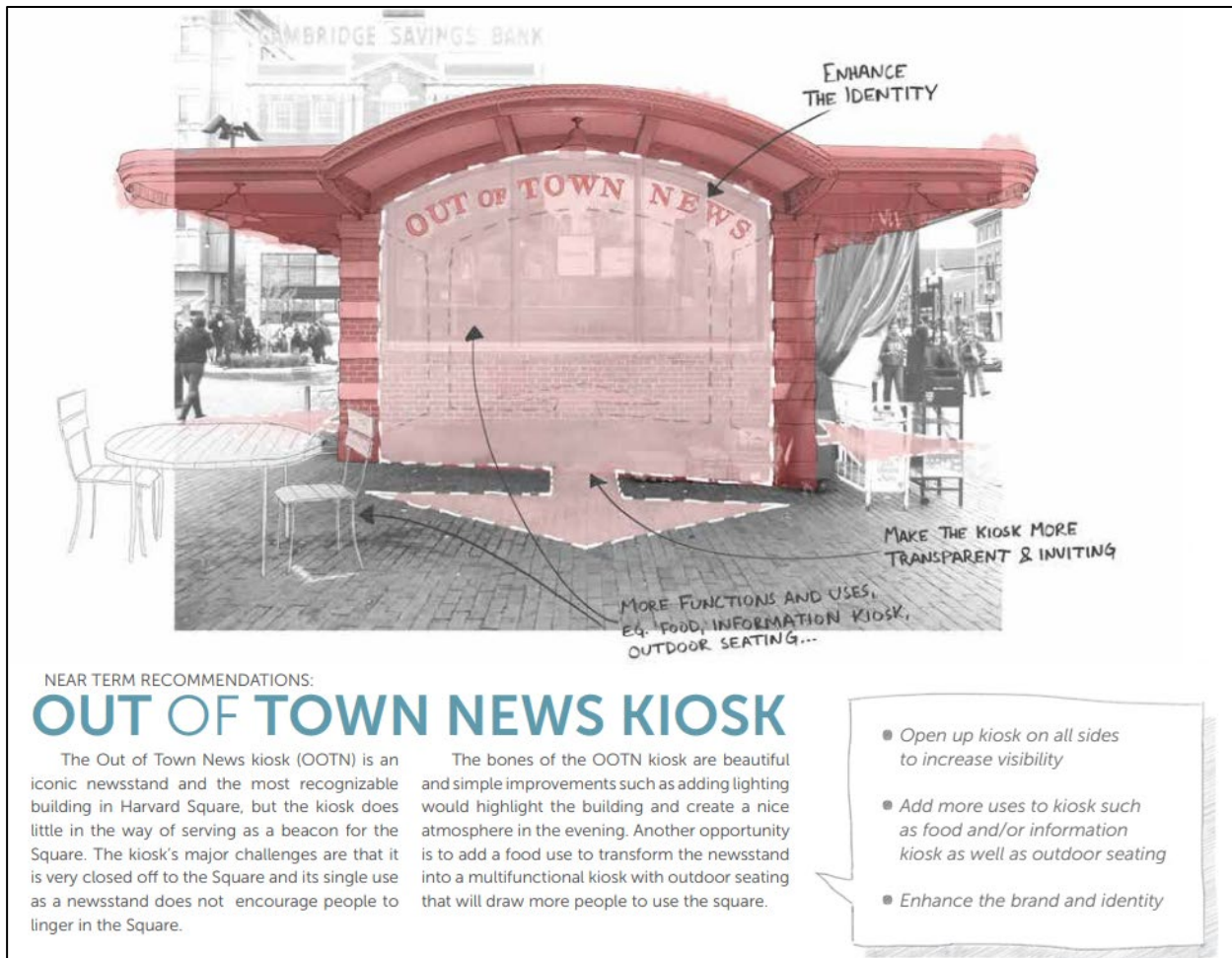
Initial conversations around the repositioning of the former Out of Town News stand at the Harvard Kiosk began as early as 2013, when the City worked with the Harvard Square Business Association and Harvard University to host a series of community workshops with support from the Project for Public Spaces (PPS) to develop a plan for short and long-term improvements of the Kiosk and plaza. These ideas culminated in the development of the Harvard Square Vision Plan, which proposed the Kiosk be restored as a flexible and visible space that could serve a multitude of functions, including as an information hub for the Square.

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Harvard Square Vision Plan, P.40 (2014)

In 2017, the City convened a working group comprised of residents, business and property owners, representatives from local institutions, and designers to assist in the creation of a community-based vision for the future use and operation of the Kiosk and surrounding plaza. The working group met eleven times over the course of a year and a half and solicited broad public input through the use of surveys, community meetings, pop-up workshops, and a formal Call for Ideas. Based on the feedback from this process, the Working Group developed a [series of recommendations](#) for the future use of the Kiosk. Goals for the project were to make the Kiosk a flexible and adaptable space, welcoming and safe for all users, and the center of the Harvard Square community, among others. A recurring idea heard through multiple parts of the community process was a desire that the Kiosk include a balance of programmed and spontaneous/informal

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uses and activities. The report also included a central recommendation that the Kiosk have a permanent use as a Visitor Information Center. The Working Group envisioned that the City would select an operating entity through an RFP process to assist with the execution of installations and programming for the space, alongside staffing support from the Office for Tourism.

The City commenced a Request for Proposals (RFP) to select an operator who could help fulfill the community's vision for the space. After a competitive process, Culture House was selected for the role.

The Kiosk officially opened in 2025, and Culture House has been curating a mix of passive and active programming, including art exhibits, performances, workshops, and events. The presence of the Office for Tourism provides a place for visitors and residents alike to get recommendations, maps, and guidance on the history of Cambridge and its vibrant attractions.

The Kiosk Advisory Committee was established to discuss programming at the Kiosk, identify future opportunities for partnerships with businesses and Cambridge community-based organizations, and strategize how best to maximize and amplify the Kiosk's position in the heart of Harvard Square. In addition, a key role of the Kiosk Advisory Committee is to evaluate the operator against metrics to ensure it meets the shared goals of the community.

The City is looking forward to continuing to explore a range of programming to bring people together and provide a welcoming and inclusive public space in the square. The completion of construction on the plaza, estimated in the fall of 2026, will create more space and opportunities for community connection, information sharing, and cultural expression.

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