

**TOURISM COMMISSION
OCTOBER 10, 2016 AT 2:15 P.M.
CITY CONFERENCE ROOM – 1515 STRONGS AVE.**

- 1. Roll call**
- 2. Approval of the September 17, 2016 Minutes**
- 3. Approval of Contract with Stevens Point Area Convention & Visitors Bureau**
- 4. Recommendation on 2017 Funding requests**
- 5. Review of past Application form**
- 6. Adjournment**

1. Roll call

PRESENT: Commissioners Bleuer, Disher, Donohoo, Okonek and Oliva.

ALSO PRESENT: Mayor Wiza; C/T Ladick; City Attorney Beveridge; Director Schrader; Sara Brish; Brandi Makuski; Noell Silvester; Amy Boston; Steve Steinhauser; Angela Steinhauser

2. Approval of the September 17, 2016 Minutes

Motion by Disher, seconded by Oliva, to approve the September 17, 2016 minutes and place them on file.

Ayes all; Nays none; Motion carried.

3. Approval of the Contract with Stevens Point Area Convention & Visitors Bureau

Attorney Beveridge explained that the law as it relates to Room Tax has changed and it is so new that there is still some confusion with the way it was written. But as per the law the city needs to contract with the CVB as it relates to spending the funds collected. Beveridge stated that the CVB had presented the city with a draft contract and the city has reviewed it and would like to present the Commission and CVB with the city's draft contract.

Brish stated just seeing it for the first time doesn't give a lot of time to react to the changes from their draft contract. At first look it appears Grant Fund was eliminated, which is an important part of their contract. She had hoped that we would be able to phase into the 70-30 split of funds.

Oliva asked what the 70-30 split means.

Mayor Wiza stated that the funds collected by law would be split 30% going to the city and 70% going to the Tourism Commission. The law was changed because of cities misusing the funds. His recommendation was that of the 70% we continue to fund the CVB and the city at the same level of funding that they have been receiving. So 2/3 would go to the CVB and 1/3 would go to the Tourism Commission to grant out. Or the 1/3 could be granted out by the CVB if the Commission so chose.

Disher asked why we would do that, having the CVB grant out the funds, we as the Commission have just as good of a handle on what the community wants/needs. He asked Brish if they were to grant out the funds would they fund the Willett or Riverfront.

Brish said no they probably wouldn't fund either because they don't put heads in beds. That the CVB would use a merit system to determine what gets funded. That the CVB has a tough time keeping up with other communities like Appleton, Eau Claire, LaCrosse and Wisconsin Dells due to the lack of funding.

Schrader disagreed and stated that both the Willett and Riverfront put heads in beds.

Okonek stated that we should look at communities similar to our size.

Brish stated that the ones she mentioned are our competition.

Oliva said I don't want to look like Appleton.

Brish and Ladick agreed they both would work on putting together a list of cities highlighting the amount of funding they receive and the resources they provide.

Oliva made a motion to approve the city's agreement for a one year period, seconded by Disher.

After some discussion it was agreed upon by the Commission to not move forward today with the agreement, to have the City Attorney change city draft 2.b. to a percentage (46.8%) not a flat fee and look into a term limit. Oliva withdrew his motion.

Bleuer said waiting would give the CVB more time to look over the city's draft agreement.

Donohoo asked the members if there were any other things we wanted the City Attorney to look at in the draft agreement.

4. Recommendation on 2017 Funding requests

The Commission again reviewed the requests that Ladick presented to them last meeting.

Motion by Disher, seconded by Oliva , to approve funds for 2017 as requested.

Ayes all; Nays none; Motion carried.

5. Review of past Application form

Schrader stated that he had provided the Commission a copy of the application form that was used during the last four long range planning session for room tax.

6. Adjournment

Motion by Disher, seconded by Donohoo, to adjourn the meeting at 3:10 p.m.

Ayes all; Nays none; Motion carried.

Next meeting is scheduled for Monday, November 28th at 2:00 p.m. in the Meeting Room of the Rec Center.

**CITY OF STEVENS POINT TOURISM COMMISSION
TOURISM ENTITY AGREEMENT**

THIS TOURISM ENTITY AGREEMENT (“Agreement”) is entered into by and between the City of Stevens Point Tourism Commission (“Commission”), an authority created under 66.0615 Wis. Stat. (“Room Tax Act”), and the Stevens Point Area Convention & Visitors Bureau, a Wisconsin not-for-profit corporation (“CVB”) on this _____ day of _____, 2016.

This agreement is premised on the following:

The tourism industry is a significant part of the Stevens Point Area and the continued growth is necessary for the economic wellbeing of the entire Portage County region.

The CVB is a qualified tourism entity, as defined in the Room Tax Act.

It is agreed by the parties that the purpose of this agreement is to create framework for a cooperative working partnership between the parties. The parties agree that the overall goal for this agreement is to promote tourism, conferences, conventions, sports events and related activities in the Stevens Point Area Tourism Zone for the benefit of the area’s economy and employment base.

WHEREAS, The CITY OF STEVENS POINT (“Municipality”) has enacted an ordinance (“Room Tax Ordinance”) to impose a uniform tax on the privilege of furnishing, at retail, rooms or lodging by hotelkeepers, motel operators and other persons furnishing accommodations which are available to the public pursuant to Room Tax Act: and

WHEREAS, within the Room Tax Ordinances, the Municipality imposes a room tax of eight percent (8%) to be used for the purposes identified in the Room Tax Act; and

WHEREAS, the parties have determined that the execution of this Agreement is in the best interest of the City of Stevens Point, the Commission, and the general promotion of tourism and associated activities within the City of Stevens Point; and

WHEREAS, per the Room Tax Act, the Commission is charged with the coordination of tourism promotion and tourism development within the City of Stevens Point; and

WHEREAS, the Commission is required to contract with the CVB, as the “tourism entity” pursuant to the Room Tax Act to coordinate tourism promotion and tourism development; and

WHEREAS, the CVB agrees that it shall accept the remitted Room Tax Revenues as agent for City of Stevens Point which imposes and collects room taxes and shall maintain the proceeds thereof. As set forth by the Wisconsin Department of Revenue, in accordance with the Room Tax Act, the CVB will provide necessary reporting to the commission as it relates to expenditures;

NOW THEREFORE, the Commission and CVB hereby agree as follows:

1. Definitions:

- a. "CVB" shall mean the Stevens Point Area Convention & Visitors Bureau, a Wisconsin Non-Profit 501(c)(6) Non-Stock Corporation.
- b. "Room Tax Ordinance" shall mean Section 4.13 of the Revised Municipal Code of the City of Stevens Point as it may be amended, renumbered, or recodified from time to time..
- c. "Room Tax" shall mean a tax imposed by the City of Stevens Point pursuant to the Room Tax Ordinance.
- d. Room Tax Act shall mean Wisconsin Statutes § 66.0615, as amended from time to time.

2. Allocation of Room Tax Revenue:

a. The Commission anticipates that the City of Stevens Point will make quarterly payments to the Commission as follows; for the first quarter (January, February, March) to be remitted by the following May 15th, second quarter to be remitted by the following August 15th, third quarter to be remitted by the following November 15th, fourth quarter to be remitted by the following February 15th, herein referred to as the "Payment Schedule". The Commission further anticipates that the amount of such payments shall be the minimum amount required under the Room Tax Act, as such amount may change from year to year, distributed over the four quarterly payments.

b. From the amount of money provided to the Commission from the City of Stevens Point, the Commission shall pay to the CVB in 2017 an amount equal to that amount paid from the City of Stevens Point directly to the CVB in 2016. In subsequent years, the amount paid to the CVB shall either increase or decrease proportionally to any increase or decrease in overall Room Tax revenue collected.

c. The Commission may provide to the CVB additional funds as agreed to from time to time by the Commission and CVB for expenses associated with specific projects related to tourism promotion and tourism development. Any such projects, including but not limited to a Tourism Development Grant Fund, shall be established via written agreements between the CVB and Commission which are separate from and independent of this Agreement.

3. Term and Termination

The term of this Agreement shall remain in effect unless terminated as follows:

- a. The Commission may terminate this Agreement at any time if the CVB:
 1. Fails to provide accounting upon request of any Municipality or the Commission hereunder after ninety (90) days written notice, provided that if the CVB cannot in good faith provide the accounting within ninety (90) days of notice but has legitimately begun the process to provide such information, the cure period shall be extended an additional ninety (90) days to allow for the CVB's good faith compliance.
- b. The Commission may terminate this Agreement at any time if it is found:
 1. That the CVB, or its agents, has committed a material breach of this Agreement, including but not limited to, the intentional misuse of room tax revenues for purposes outside of which are permitted by the Room Tax Act. Notwithstanding the foregoing, in the event of a material breach, and prior to terminating the Agreement, the Commission shall provide written notice, including a reasonable description of the material breach, to the CVB. The CVB shall have thirty (30) days to cure said material breach. The Commission may terminate the Agreement if the CVB fails to cure said material breach within thirty (30) day cure period.

4. Administration and Dispute Resolution

- a. This Agreement is governed by the laws of the State of Wisconsin.
- b. The Commission and the CVB shall provide written notice of a dispute within a reasonable time and after the event-giving rise to the dispute. The Commission and the CVB agree to negotiate any dispute between them in good faith for a period of 60 days following such notice. The Commission and the CVB may agree to submit any dispute or mediation or binding arbitration, but such mediation or arbitration shall not be required or a prerequisite to initiating a lawsuit to enforce this Agreement.
- c. This Agreement, upon execution by both parties hereto, can be amended only by a written instrument signed by both parties.
- d. The parties agree that they shall work together toward the collection of any deficient amounts owed by the Municipality; and the parties shall cooperate with the Municipality to assist for the collection of any deficient amounts owed by any operator required to collect and remit Room Tax proceeds.

In signing this Agreement, the parties represent and warrant that the terms herein have been approved by their respective governing bodies and that the appropriate authority rests in the signatories on behalf of the parties.

City of Stevens Point Commission:

Commission Chairperson

Stevens Point Area Convention & Visitors Bureau:

Board Chairperson

Executive Director

Approved on and signed: _____

**CITY OF STEVENS POINT TOURISM COMMISSION
PROPOSED 2016 TOURISM ENTITY AGREEMENT**

THIS TOURISM ENTITY AGREEMENT (“Agreement”) is entered into by and between the City of Stevens Point Tourism Commission (“Commission”), an authority created under 66.0615 Wis. Stat. (“Room Tax Act”), formed under that Amended and Restated Room Tax Commission and Tourism Agreement dated _____, 2016 (“Room Tax Commission Agreement”), and the Stevens Point Area Convention & Visitors Bureau, a Wisconsin not-for-profit corporation (“CVB”) on this _____ day of _____, 2016.

This agreement is premised on the following:

The tourism industry is a significant part of the Stevens Point Area and the continued growth is necessary for the economic wellbeing of the entire Portage County region.

The CVB is a qualified tourism entity, as defined in the Room Tax Act.

It is agreed by the parties that the purpose of this agreement is to create framework for a cooperative working partnership between the parties. The parties agree that the overall goal for this agreement is to promote tourism, conferences, conventions, sports events and related activities in the Stevens Point Area Tourism Zone for the benefit of the area’s economy and employment base.

WHEREAS, within this Agreement, the CITY OF STEVENS POINT, a Wisconsin municipal corporation and political subdivision (“City of Stevens Point”) agrees that the geographic area encompassing Portage County is a single destination as perceived by the traveling public, and therefore, a Tourism Zone, as that term is used in the Room Tax Act, to be referred to as the “Stevens Point Area Tourism Zone”; and

WHEREAS, The CITY OF STEVENS POINT has enacted or will enact an ordinance (“Room Tax Ordinance”) to impose a uniform tax on the privilege of furnishing, at retail, rooms or lodging by hotelkeepers, motel operators and other persons furnishing accommodations which are available to the public pursuant to Room Tax Act: and

WHEREAS, within the Room Tax Ordinances, the Municipality shall impose a room tax of eight percent (8%) to be allocated toward the support of the CVB, to be used for the purpose of promoting the Stevens Point Area Tourism Zone as a tourism destination and funding the Tourism Development Grant Fund; and

WHEREAS, the parties have determined that the execution of this Agreement is in the best interest of the City of Stevens Point, the Commission and the Stevens Point Area Tourism Zone; and

WHEREAS, per the Room Tax Act, the Commission is charged with the coordination of tourism promotion and tourism development for the Stevens Point Area Tourism Zone; and

WHEREAS, the Commission is required to contract with the CVB, as the “tourism entity” pursuant to Section (1m)(b)(4) of the Room Tax Act. The CVB shall provide an annual budget for funding service, materials, and media reasonably necessary and proper to successfully promote, develop and attract tourism to the Stevens Point Area Tourism Zone, including, but not limited to such items and services as sales and marketing staff, visitor information staff, public relations staff, promotional and advertising

materials, internet and web services, accounting services, administrative services, facilities, supplies and equipment for the same; and

WHEREAS, the CVB agrees that it shall accept the remitted Room Tax Revenues as agent for City of Stevens Point which imposes and collects room taxes and shall maintain the proceeds thereof. As set forth by the Wisconsin Department of Revenue, in accordance with the Room Tax Act, the CVB will provide necessary reporting to the commission as it relates to expenditures.

The City of Stevens Point shall make quarterly payments to the CVB as follows; for the first quarter (January, February, March) to be remitted by the following May 15th, second quarter to be remitted by the following August 15th, third quarter to be remitted by the following November 15th, fourth quarter to be remitted by the following February 15th, herein referred to as the "Payment Schedule".

For the year 2016:

- a. For the City of Stevens Point, 46.8% of room tax collections received must be remitted to the CVB as outlined in the Payment Schedule.

For the year 2017 and thereafter:

- a. For fiscal year 2017, 49% of room tax collections received must be remitted to the CVB as outlined in the Payment Schedule.
- b. For fiscal year 2018, 51% of room tax collections received must be remitted to the CVB as outlined in the Payment Schedule.
- c. For fiscal year 2019, 53% of room tax collections received must be remitted to the CVB as outlined in the Payment Schedule.
- d. For fiscal year 2020, 55% of room tax collections received must be remitted to the CVB as outlined in the Payment Schedule.
- e. For the year 2021, 57% of room tax collections received must be remitted to the CVB as outlined in the Payment Schedule.
- f. For the year 2022 and thereafter, 70% of room tax collections received must be remitted to the CVB as outlined in the Payment Schedule.

Tourism Development Grant Fund

For the purpose of establishing the Tourism Development Grant Fund, the CVB will allocate a percentage of its room tax revenue for the development or expansion of visitor attractions and amenities through a Tourism Development Grant Fund to be used for the growth of the Stevens Point Area Tourism Zone.

- a. For the City of Stevens Point, each year of the phase in (2017-2021) two percent of room tax submitted to the CVB will be put into the fund.
- b. Beginning in 2022 and thereafter, \$65,000 or 10% whichever is greater (of the 70% given to the CVB, as per Wisconsin State Statute 66.0615) will be put in the fund.

Deficient Payments by Municipalities

The parties agree that they shall work together toward the collection of any deficient amounts owed by the Municipality; and the parties shall cooperate with the Municipality to assist for the collection of any deficient amounts owed by any operator required to collect and remit Room Tax proceeds.

DEFINITIONS

- a. CVB shall mean the Stevens Point Area Convention & Visitors Bureau, a Wisconsin Non-Profit 501(c)(6) Non-Stock Corporation.

- b. The Stevens Point Area Tourism Zone shall mean the municipalities within Portage County are a single destination as perceived by the traveling public.
- c. Room Tax Ordinance shall mean an ordinance to impose a uniform tax on the privilege of furnishing, at retail, rooms or lodging to transient by hotelkeepers, motel operators and other persons furnishing accommodations which are available to the public pursuant to the Room Tax Act within the Stevens Point Area Tourism Zone.
- d. Room Tax shall mean a tax imposed on the privilege of furnishing, at retail, rooms or lodging to transients by hotelkeepers, motel operators, and other persons furnishing accommodations which are available to the public pursuant to the Room Tax Act.
- e. Room Tax Act shall mean 66.0615 Wis. Stat., as amended from time to time.
- f. Room Tax Commission Agreement shall mean this Room Tax Commission.
- g. Tourism Development Grant Fund shall provide a percentage of Room Tax to be allocated toward the support of development or expansion of visitor attractions, amenities or events in the Stevens Point Area Tourism Zone through a grant program.

The term of this Agreement shall remain in effect unless terminated as follows:

- a. The Commission may terminate this Agreement at any time if the CVB:
 - 1. Fails to provide accounting upon request of any Municipality or the Commission hereunder after ninety (90) days written notice, provided that if the CVB cannot in good faith provide the accounting within ninety (90) days of notice but has legitimately begun the process to provide such information, the cure period shall be extended an additional ninety (90) days to allow for the CVB's good faith compliance.
- b. The Commission may terminate this Agreement at any time if it is found:
 - 1. That the CVB, or its agents, has committed a material breach of this Agreement, including but not limited to, the intentional misuse of room tax revenues for purposes outside of which are permitted by the Room Tax Act. Notwithstanding the foregoing, in the event of a material breach, and prior to terminating the Agreement, the Commission shall provide written notice, including a reasonable description of the material breach, to the CVB. The CVB shall have thirty (30) days to cure said material breach. The Commission may terminate the Agreement if the CVB fails to cure said material breach within thirty (30) day cure period.

The Commission and the CVB shall provide written notice of a dispute within a reasonable time and after the event-giving rise to the dispute. The Commission and the CVB agree to negotiate any dispute between them in good faith for a period of 30 days following such notice. The Commission and the CVB may agree to submit any dispute or mediation or binding arbitration, but such mediation or arbitration shall not be required or a prerequisite to initiating a lawsuit to enforce this Agreement.

Enforcement of this Agreement may be by proceedings at law or in equity against any person or persons violating or attempting or threatening to violate any term or condition in this Agreement, either to restrain or prevent the violation or to obtain any other relief. If a suit is brought to enforce this Agreement, the prevailing party shall be entitled to recover its costs, including reasonable attorney fees, from the non-prevailing party.

This Agreement, upon execution by both parties hereto, can be amended only by a written instrument signed by both parties.

This Agreement is governed by the laws of the State of Wisconsin.

In signing this Agreement, the parties represent and warrant that the terms herein have been approved by their respective governing bodies and that the appropriate authority rests in the signatories on behalf of the parties.

City of Stevens Point Commission:

Commission Chairperson

Stevens Point Area Convention & Visitors Bureau:

Board Chairperson

Executive Director

Approved on and signed: _____

DRAFT

Tourism Commission Budget

Based on \$800,000 in Room Tax Collections, 70% of which (\$560,000) is under the Tourism Commission.

- Scenario: Continue Current Operations
 - \$374,880: Convention and Visitors Bureau
 - Based on 46.86% of Total Room Tax Collections, actual number depends on actual revenue
 - \$80,000: Willett Arena Subsidy
 - \$35,000: Riverfront Rendezvous
 - \$21,000: Riverfront Arts Center Subsidy
 - \$10,000: Misc. Special Events
 - Gus Macker
 - Airshow
 - Event Advertising
 - \$39,120: Projects-Discretion of Tourism Commission
 - Actual Number depends on 2017 Room Tax Collections