



**TWO
RIVERS**
WISCONSIN

ROOM TAX COMMISSION MEETING

Friday, December 06, 2024 at 8:30 AM

Committee Room - City Hall, 3rd Floor 1717
E. Park Street, Two Rivers, WI 54241

MINUTES

1. Call to Order

The meeting was called to order by Chair Curt Andrews at 8:35 AM.

2. Roll Call

Commission Members: In Attendance: Greg Buckley, Curt Andrews, Rick Carey, and Bill LeClair
Remote Attendance by speaker phone: Mark Bittner

Also in Attendance: Joe Metzen, Tourism Director and City Attorney Andrew Adams of West & Dunn (by speaker phone).

- Motion to allow Mark Bittner to attend remotely made by Bill LeClair, seconded by Rick Carey, discussion. Motion carried by voice vote, with all members physically present voting in favor

3. Closed Executive Session

The Room Tax Commission reserves the right to enter into closed session per Wisc. Stats. 19.85(1)(e) deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session

-Discuss terms for possible contract with Explore Two Rivers, Inc., for tourism promotion and tourism development services

- Motion was made to go to a closed session at 8:37 AM, citing the need to review terms of the proposed contract between Explore Two Rivers and the City of Two Rivers Room Tax Commission. Motion was made by Rick Carey, seconded by Bill LeClair, discussion with a roll call vote. Motion carried with all members voting in favor of the motion.

4. Reconvene in Open Session

Possible action in follow-up to closed session discussions

- Motion was made by Bill LeClair, seconded by Greg Buckley, to adjourn the closed session and re-enter open session at 9:58 AM. The motion was approved by voice vote, with all members voting in favor of the motion.
- Motion was made by Bill LeClair, seconded by Curt Andrews, to allow Room Tax Commission member Rick Carey the authority to negotiate on the Commission's behalf the substantive terms of the proposed contract with Explore Two Rivers, Inc., as reviewed in closed session by the Room Tax Committee members on this date. The maker and seconder of the motion noted that the final contract resulting from such negotiations would be subject to approval by a vote of the full Room Tax Commission.

The motion was approved by roll call vote, with all members voting in favor of the motion.

Attorney Adams ended his telephonic participation in the meeting at this time.

City Parks and Recreation Director Mike Mathis joined the meeting, in person, at this time.

5. **Tourism Director's Report**

--Year-to-Date Room Tax Revenues: Tourism Director Joe Metzen reported that room tax revenue is up over 5% year over year. He will provide a year end recap of room tax revenue with comparables from other Destination Marketing Organizations (DMOs) in February, 2025. He stated that several area DMO's report that 2025 room tax revenues are down compared to 2023.

--2025 Marketing Plan: A draft of the 2025 Marketing Plan was provided to the Room Tax Commission, but not reviewed.

--Mr. Metzen noted that the Commission wants to reach an agreement with Explore Two Rivers before approving a marketing plan for 2025.

--Preparing for the NFL Draft: The Tourism Department will be hosting an NFL Draft presentation for area businesses in partnership with Discover Green Bay on December 16, 2024 at 6pm at the Hamilton Community House.

--Other: A quarterly newsletter was sent out to all short-term rental owners and operators in November providing updates on events, the Draft, room tax revenue and invoices. Quarterly newsletters will go out to this group moving forward.

6. **Review Status of 2024 Tourism Budget**

--Mr. Metzen briefly reviewed the status of the current year's budget. He noted that the 2024 year-end fund balance is projected to be approximately \$120,000, after a planned refund to the owner/manager of several short-term rental properties for overpayment of room taxes (duplicate payments by that owner/manager and the on-line rental platforms).

7. **Action Item: Consider Proposed 2025 Tourism Budget**

The Room Tax Commission reviewed the 2025 budget as presented by Joe Metzen, Tourism Director.

- **Authorization for Tourism Director to Authorize Certain Expenses and Advertising Commitments to be Paid from the 2025 Budget.** Motion was made to allow the Tourism Director to commit for 2025 no more than \$7,000 total on any media buys that must be incurred or paid by 12/31/2024. This is in lieu of having a contract agreement in place with Explore Two Rivers at the first of the year. Motion by Rick Carey, second by Bill LeClair; discussion, motion carried by voice vote, with all members voting in favor.
-
- **2025 Tourism Budget.**
- Mr. Metzen reviewed the overall proposed 2025 Tourism Budget. He noted that 2025 total RoomTax revenues are budgeted at \$360,000, a 9 percent increase over the 2024 Budget; factors in support of such an increase include the April 2025 NFL Draft event in Green Bay and the planned opening of a new, 6-unit upscale lodging property (Violet Inn). With 70 percent of such Room Tax revenues going to the Room Tax Commission, there will be \$252,000 available in support of the 2025 Tourism Budget. Adding in other revenues totaling \$10,400 (mostly from merchandise sales), budgeted 2025 revenues total \$262,400.

Turning to the expenditure side of the 2025 Budget, the Tourism Director presented proposed

budget surplus of just over \$16,000. Adding in the second and final installment of \$25,000 to assist the Central Park West project (capital grant), the proposed budget would reduce fund balance by about \$9,000, to \$111,000. The proposed budget includes just over \$50,000 available for investment in tourism marketing and tourism development as directed by Explore Two Rivers, Inc., once a contract with that organization is finalized. (Note: Of that \$50,000, \$18,000 was identified as money that may be spent at the discretion of the Tourism Director.)

Following discussion, Curt Andrews moved, supported by Bill LeClair, to approve the 2025 Tourism Budget as presented, taking into account the prior vote to authorize the spending of up to \$7,000 from this budget by the Tourism Director, and reducing from \$18,000 to \$10,000 the amount of advertising funds earmarked for direct spending by the Tourism Director. The motion was approved by voice vote, with all members voting in favor.

Capital Grant Request from the City's Parks and Recreation Department—2025 Budget

Parks and Recreation Director Mike Mathis asked that the Room Tax Commission consider a \$20,000 expenditure to complete the funding needed for a \$120,000 playground equipment update at Neshotah Park. The Parks and Recreation Department has received a \$100,000 grant toward this project, proposed to be completed in 2025.

- Following discussion, Mark Bittner moved, supported by Bill LeClair, to add \$20,000 to the 2025 Tourism Budget, as a capital grant to be transferred to the City's Parks and Rec capital fund, as an amendment to the 2025 Budget previously approved. The motion was approved by voice vote, with all members voting in favor.

Mr. Buckley noted that, with this additional investment in new play equipment, a total of more than \$700,000 in capital improvements are planned for Neshotah Park and Beach, a major tourism destination, in 2025.

Funding for Above-Normal Repair and Maintenance Expenses at Spirit of the Rivers Wayside

Mike Mathis reported that expenses incurred by the Parks and Recreation Department for repair and maintenance activities at this facility, which are billed to a line item in the Tourism Budget, have totaled \$40,204 in 2024, exceeding the \$30,000 budgeted. This additional spending can be attributed to three projects: replacement of landscape plantings at the city welcome sign (\$2,880), replacement of landscape plantings at the entry to the wayside (\$2,000) and replacement of one of the sewage ejector pumps at the restroom building (\$7,500).

Following discussion, Mark Bittner moved, supported by Bill LeClair, to authorize payment of these additional expenses from the 2024 Tourism Budget. The motion was approved by voice vote, with all members voting in favor.

Mr. Buckley reported that the City may be able to reduce the expense for repair and maintenance at this location by more than \$10,000 in 2025, based on a possible contract that could make Wisconsin DOT funding available for maintenance of this wayside in 2025. More details will be provided at a future meeting.

8. Action Item: Consider Proposed Agreement with Explore Two Rivers, Inc.

The Chair noted that the Commission had acted on this matter in its action upon reconvening from closed session. No further action was taken.

9. **Discuss Possible Dates for Next Meeting**

There was consensus that the next meeting will take place after Explore Two Rivers representatives have had an opportunity to review the contract with Rick Carey and after the Explore Two Rivers Board has taken action on that contract.

10. **Adjournment** Motion to adjourn was made by Greg Buckley at 11:27 AM, seconded by Bill LeClair. Following the opportunity for discussion, motion approved by voice vote, with all members voting in favor.

Respectfully submitted,



Joe Metzen
Tourism Director



Greg Buckley
City Manager