



OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Meeting of the: **JOINT FINANCE COMMITTEE AND ROOM TAX COMMISSION**
Date/Time: **Tuesday, November 28, 2023 at 6:00PM**
Location: City Hall (407 Grant Street) Council Chambers
Room Tax Members: Michael Martens, Lisa Rasmussen, Chad Henke, Tim VanDeYacht, Lindsey Lewitzke
Finance Members: Lisa Rasmussen, Michael Martens, Doug Diny, Carol Lukens, Sarah Watson

AGENDA ITEMS FOR CONSIDERATION

- 1 Minutes of the previous Room Tax Commission meeting (09/25/2023).
- 2 Discussion and possible action regarding renewal of the Tourism Entity Agreement with the Wausau/Central Wisconsin Convention and Visitors Bureau.
- 3 **CLOSED SESSION** pursuant to Wis. 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 regarding renewal of the Tourism Entity Agreement with the Wausau/Central Wisconsin Convention and Visitors Bureau.
- 4 **RECONVENE** into Open Session, if necessary, to take action on Closed Session item.

Adjourn

Michael Martens, Room Tax Commission Chair
Lisa Ramussen, Finance Committee Chair

Members of the public who do not wish to appear in person may view the meeting live over the internet, live by cable TV, Channel 981, and a video is available in its entirety and can be accessed at <https://tinyurl.com/WausauCityCouncil>.

IMPORTANT: THREE (3) MEMBERS NEEDED FOR A QUORUM: If you are unable to attend the meeting please notify Kody by calling 715-261-6616 or via email kody.hart2@ci.wausau.wi.us

This Notice was posted at City Hall and emailed to the Daily Herald newsroom 11/24/23 at 4:00 pm

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids & services. For

ROOM TAX COMMISSION

Date and Time: Monday, September 25, 2023, at 4:00 p.m., Council Chambers

Members Present: Michael Martens, Chad Henke, Tim VanDeYacht

Members Excused: Lisa Rasmussen, Lindsey Lewitzke

Others Present: Mayor Rosenberg, Maryanne Groat, Mary Goede

In compliance with Wis. Stat. § 19.84, notice of this meeting was duly posted and sent to the *Wausau Daily Herald* in the proper manner. Noting the presence of a quorum, at approximately 4:00 p.m., Chairperson Martens called the meeting to order.

Discussion and possible action on approving minutes of previous meeting (7/24/2023)

Motion by Henke, second by VanDeYacht to approve the minutes. Motion carries 3-0.

Discussion and Possible Action regarding Tourism Grant Requests

Maryanne Groat noted a memo with the status of the room tax revenue for 2023 was in the packet. She indicated historically she has estimated approximately \$970,000 of revenue, however, based on current collections she anticipated it now to come in at about \$1.1 million. Based on the more conservative estimate of \$969,000, there would be approximately \$70,000 to distribute today.

Groat stated there were three applications submitted that have not yet been considered: 1) Wings Over Wausau 2024; 2) the Grand Theater for February – June 2024; and 3) the Grand Theater February – June 2023. She explained new software was implemented last year with a few rough spots, and some applications were not immediately identified as being open. The Grand Theater's application for February – June 2023 was overlooked and never considered by the commission, and that is why it is on today's agenda.

Katy Lang, Grand Theater, commented she would appreciate it if the commission would consider the 2023 application. She was not aware that there was no meeting last September and thought it had been approved. She indicated she was present to speak to the 2024 request of \$15,000. She explained they have been splitting their marketing budget into two halves due to the cap that was put on room tax grants earlier and now that the cap has been lifted, they will most likely only be applying once moving forward. She stated their marketing budget has gone up about \$50,000 from last year because of the sheer number and caliber of shows. A lot of the Broadway shows are playing two nights, bringing more people into the city for two nights. She noted this season they have booked over 300 rooms for artists.

Motion by VanDeYacht, second by Henke to approve the Grand Theater allocation of \$10,000 for February – June 2023 retroactively. Motion carried 3-0.

Motion by Henke, second by VanDeYacht to approve the Grand Theater allocation of \$15,000 for February – June 2024. Motion carried 3-0.

Allissandra Aderholdt, Wausau Events, stated in the past they have asked for \$10,000, but with the cap removed were now asking for \$15,000. She indicated she included some marketing reports from the Main Street Program and the CVB report. She estimated approximately 20,000 attendees this last year and are expecting to grow that in the future. She noted some of the top markets people are traveling from are the Minneapolis, Appleton, and Green Bay areas, where marketing is more expensive. In addition, they were looking to market more to pilots next year which will increase expense but bring potentially more fly-ins. She commented they were looking forward to the expansion of the event with the nationally recognized air show and the largest fireworks show in the area. The event is June 21-22, 2024 and we are pairing it with Chalk Fest the same weekend with shuttle service between them.

Motion by VanDeYacht, second by Henke to approve the Wausau Events allocation of \$15,000 for Wings Over Wausau 2024. Motion carried 3-0.

Discussion and Possible Action on future applications and process

Maryanne Groat stated it has been our policy to have the grantees apply for their funds rather than just send out checks; however, we have had grantees not apply and we historically have not gone searching for them to question why; we assumed they either did not conduct the marketing or the event didn't happen. She questioned if there was an expectation to reach out to them questioning why and/or to find out the status of the event, and if so, should there

be a timetable in which if the request isn't submitted by a certain date the funds expire and return to the pool for future allocations.

Michael Martens felt there should be a deadline, such as 90 days or six months, so the funds are not sitting restricted. Consensus of the commission was a deadline of no later than 90 days from the end of the event to contact or funds are forfeited. Groat indicated she will put it in the application and the software will send an email that includes the language the entity must apply for funds either before the event or no later than 90 days after or they risk forfeiting the funds.

Discussion and Possible Action on future meetings dates

Groat stated this meeting is the last one until we fall into our regular cycle. If we receive applications in October, they can be considered at a meeting in November. Martens noted if no applications come in the next meeting will be in January and then quarterly for 2024.

Adjourn

Motion by Henke, seconded by VanDeYacht, to adjourn the meeting. Motion carried. Meeting adjourned at 4:31 p.m.

For full meeting video on YouTube: <https://www.youtube.com/watch?v=9cLP94yI2PU>

2024 ROOM TAX

	CITY RETAINED	CURRENT COMMISSION	PROPOSED COMMISSION
Room Tax Revenue	444,133	555,867	555,867
Room Tax Retained by Hotels Available	444,133	10,000	10,000
		545,867	545,867
ROOM TAX COMMISSION AWARDS:			
CVB		375,000	400,000
Historical Society of Marathon County	20,495		
Performing Arts - Grand Theater	44,407		
Wausau Concert Band	6,832		
Center for Visual Arts	10,248		
Leigh Yawkey Woodson Art Museum	29,377		
Main Street Program	26,591		
Wausau Area Events	70,026		
City of Wausau/400 Block	146,355		
400 Block	42,755		
City Park Tourism Development Staff	37,047		
4th of July Event	10,000		
Balloon Glow		20,000	20,000
Center Visual Arts - Art of Wine & Other Exhibits		15,500	15,500
Hmong Festival		10,000	10,000
Wausau Festival of Arts		10,000	10,000
Wausau Artrageous		10,000	10,000
Wisconsin Art Association Marathon Park		10,000	10,000
Grand Theater		20,000	20,000
Iron Bull		19,967	19,967
Wausau Pride		3,000	3,000
Monk Gardens Blossom of Lights		10,000	10,000
Wausau Events Wings Over Wausau		9,000	9,000
Wausau Events Bluefest		13,000	13,000
Wausau Events Winter Brewfest		3,000	3,000
Exhibitour		9,300	9,300
Wausau Events Beer and Bacon		7,000	7,000
TOTAL	444,133	544,767	569,767
BALANCE - Available for Allocation	0	1,100	(23,900)

TOURISM ENTITY AGREEMENT

This TOURISM ENTITY AGREEMENT (“Agreement”) is entered into by and between the City of Wausau, a Wisconsin municipal corporation (“City”), its Room Tax Commission (“Commission”), and the Wausau Central Wisconsin Convention & Visitors Bureau, Inc., a Wisconsin Non-Profit 501(c)(6) Non-Stock Corporation (“CVB”), effective on this 1st day of January, 202~~3~~4.

WHEREAS, the City is authorized by the laws of Wisconsin to impose, collect, and distribute a portion of the proceeds of hotel/motel room taxes to promote and develop tourism and for the purpose of improving the economic well-being of the entire community, and has funded such a program since at least 1990; and

WHEREAS, the City has enacted an ordinance imposing a uniform tax 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 sec. 66.0615 Wis. Stats. (“Room Tax Act”); and

WHEREAS, within the Room Tax Ordinance, the City has imposed a Room Tax of eight percent (8%); and

WHEREAS, the City has created a Room Tax Commission (“Commission”) to oversee the proper expenditures of room taxes in accordance with the requirements of the Wisconsin Room Tax Act; and

WHEREAS, the City and its Commission desire to enter into a non-exclusive contract with the CVB, as a qualifying “tourism entity” as defined in Section (1)(f) of the Room Tax Act, for it to provide the City or its Commission with staff, support services and assistance in developing and implementing programs that foster tourism promotion and tourism development in the City to visitors as provided in Section (1)(b)4 of the Room Tax Act and the CVB desires to enter into such a contract with the City and its Room Tax Commission; and

WHEREAS, the agreements of the parties as to such services shall be as set forth herein.

NOW THEREFORE, in consideration of the mutual promises, covenants and agreements herein contained and other good and valuable consideration, the sufficiency of which is acknowledged, the parties hereby agree as follows:

1. Recitals. The foregoing Recitals are hereby incorporated in and made a part of this Agreement.
2. Definitions.
 - a. “CVB” shall mean the Wausau Central Wisconsin Convention & Visitors Bureau, Inc., a Wisconsin Non-Profit 501(c)(6) Non-Stock Corporation.
 - b. “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. The municipality shall impose a room tax in the amount of eight (8%) percent.

- c. “Municipality” shall mean the governmental unit as identified in this Agreement in which an operating lodging property is located and which collects a room tax.
 - d. “Remitted Room Taxes” shall mean the amount of room taxes that the City has collected and forwarded to the CVB under this agreement.
 - e. “Room Tax Act” shall mean Section 66.0615 Wis. Stats., as amended during the term of this agreement.
 - f. “Tourism promotion and tourism development” means any of the following that are significantly used by transient tourists and reasonably likely to generate paid overnight stays at more than one establishment on which a tax under Section (1m)(a) of the Room Tax Act may be imposed, that are owned by different persons and located with a municipality in which a tax under this section is in effect:
 - i. Marketing projects, including but not limited to advertising media buys, creation and efforts to recruit conventions, sporting events, programs, or motor coach groups.
 - ii. Transient tourist informational services.
 - iii. Tangible municipal development, including a convention center.
 - iv. Room taxes shall not be used to construct or develop a lodging facility.
3. Purpose. The purpose of this Agreement is to set forth the respective responsibilities, powers, duties and obligations of the parties hereto in collecting and utilizing Room Tax Revenues generated in the Municipality under the provisions of the Room Tax Act and spent in accordance with the requirements of the Room Tax Act as stated in paragraph 2.
4. Room Tax Revenues. The City has imposed and will collect an 8% room tax on transient visitors who stay at the lodging properties within the City.
- a. The City will retain, each year, the greater of either 30% of its current year room tax revenues, effective with taxes collected and expenditures made on January 1, 2023, or for fiscal year 2023 and thereafter, the same dollar amount of the room tax retained as the City retained in its 2010 fiscal year. The City will forward to its Room Tax Commission, any room tax revenue exceeding the amount it may retain by the Room Tax Act.
 - b. The Room Tax Commission, in turn, will remit ~~37.5~~ 40% of room tax collected to the CVB on a quarterly basis, ~~6.25%~~ of which is designated for the Central Wisconsin Sports Authority, 3% of which will go to Sports Authority Grants to fund opportunities to host major sports tournaments and 3% of which will go to Outdoor Rec development and outdoor rec organizations’ marketing support; within 45 days after the end of each calendar quarter, all of which shall be used for tourism promotion and tourism development in the City as outlined by state statute. If the Sports Authority or Badger State Games dissolves under the CVB, the Commission shall not be liable for the ~~6.25%~~ of the total room tax collection. It shall then only remit

31.254% of the total collected in room taxes by the municipality for general tourism promotion.

b-c. Minimum of 51% of municipal room tax revenues will go directly to marketing/advertising expenses and not staff salaries.

5. CVB Responsibilities. The CVB shall be responsible for the following:
 - a. Executive Director Selection Committee. The CVB shall establish a selection committee that will be responsible for establishing position qualifications, selection procedures and conducting preliminary interviews for the position of Executive Director. Included on the selection committee shall be one person appointed by the Mayor of Wausau and another appointed by the Weston Village President, so long as each municipality has contracted with the CVB as a qualifying tourism entity. The CVB shall make the final hiring decision from the group of candidates referred to it by the selection committee.
 - b. Annual Meeting. The CVB shall hold an annual meeting to which will be invited the CVB Board, CVB Staff, and all governmental body members of municipalities with whom the CVB has a current contract. During the annual meeting, the CVB Board shall present reports on:
 - i. CVB results in relation to operational goals.
 - ii. Goals and plans for the upcoming year.
 - iii. Financial plans and results.
 - c. Administrative Support. The CVB will be required to obtain staff, support services, and assistance in developing and implementing programs to promote tourism promotion and tourism development with the City. Any notices or documentation required to be provided to the City or its Room Tax Commission by the CVB for the funds it receives shall be forwarded to the Mayor and Chairperson of the Room Tax Commission. It is further acknowledged that, upon reasonable prior notice, the CVB will attend meetings called by the City or its Room Tax Commission to discuss issues pertaining to room tax collection and expenditures and otherwise cooperate to achieve the purposes of the room tax statute.
 - d. Accounting. The CVB shall provide the City or its Room Tax Commission with an accounting of the activities and of the expenditures of the room tax revenues, on a quarterly basis, and the CVB shall have not more than thirty (30) days following each quarter to respond; additionally, the CVB shall provide to the City or its Room Tax Commission, a copy of its annual audit within thirty (30) days of it having been produced. The City or its Room Tax Commission shall have the right to examine such records at all reasonable times. Progress reports and reviews by the City or its Room Tax Commission may be called for at any time.
 - e. Financial Budget Plan. Not later than January 1st of each year, or as otherwise agreed, the CVB shall generate a written Financial Budget Plan for the year. This Plan

of Business shall be made available to the City or its Room Tax Commission within sixty (60) days of the City's or Room Tax Commission's written request for the same. The parties agree that the Financial Budget Plan may be revised from time to time and, if so, the City or its Room Tax Commission will be so notified and provided a revised Financial Budget Plan. It is understood that the City or its Room Tax Commission shall have no approval rights of the Financial Budget Plan but may provide comment or recommendation to the CVB which may be implemented at the CVB's discretion.

- f. Reports. The CVB agrees to prepare a separate DOR Form that is created and provided by the Department of Revenue ("DOR") for the City, on or before April 1, beginning in 2023 as provided in section (4) of the Room Tax Act, unless an extension in filing the Form to the DOR has been approved. If so, the CVB shall submit the DOR Form to the City on or before thirty (30) days before it is due to the DOR. The City and its Room Tax Commission agree to cooperate with the CVB in completing this form.
- g. Compliance. The CVB agrees to comply with applicable laws pertaining to its non-profit status. However, consistent with open meetings practice and a high level of transparency, the CVB agrees to:
 - i. Post its meeting agendas and meeting minutes on its website, which may include closed session as permitted by the open meetings law.
 - ii. Provide the municipal clerks of participating local governments with an electronic copy of all minutes and agendas at the same time each is distributed to CVB Board Members.
 - iii. Post the names and contact information of CVB Board Members on the CVB website.
 - iv. Meeting agendas shall include an item at or near the end of the meeting where CVB Board Members can suggest agenda items for an upcoming meeting.
- 6. Acknowledgment of Compliance. The CVB acknowledges and agrees that the imposition of a total Room Tax in the amount of eight (8%) percent by the City complies with the Room Tax Act.
- 7. Room Tax Delinquencies. The parties agree that they shall work together toward the collection of any delinquent room tax owed to the City in the way of sharing information and the parties shall cooperate with the City to assist it in the collection of any delinquent or deficient amounts owed by any operator required to collect and remit Room Tax proceeds under City ordinance., but in no event shall the CVB nor any of its staff take any affirmative action to collect delinquent room tax owed to the City and required by law to be remitted directly to the City.
- 8. Events of Default. Each of the following shall be considered to be an Event of Default (only following the applicable cure period) by the CVB:
 - a. The failure to provide an accounting or audit hereunder after thirty (30) days written notice of CVB's failure to do so by the City or its Room Tax Commission, as applicable.

- b. The failure to provide a Financial Budget Plan hereunder after thirty (30) days written notice of CVB's failure to do so by the City or its Room Tax Commission.
 - c. The failure to provide the DOR Form to the City hereunder, unless excused by the City or the CVB is unable to provide the form in a timely manner due to circumstances beyond its control.
 - d. The collection of room tax owed to the City.
 - e. The failure to expend the Room Tax revenues submitted to it for those purposes outlined in paragraph 2 and in compliance with the Room Tax Act.
9. Term. This Agreement shall remain in effect for a period of ~~one-two~~(12) years from the effective date of this Agreement.
10. Termination.
- a. The City or its Room Tax Commission may terminate this Agreement at any time for cause, if(i) it is found that the CVB, or its agents, has committed a material breach of this Agreement, including but not limited to, the intentional misuse of the Room Tax revenues for purposes outside of which are permitted by the Room Tax Act, which material breach is not cured within thirty (30) days of the CVB's receipt of written notice from the City or its Room Tax Commission containing a sufficient description of the material breach alleged, or (ii) the CVB is no longer acting as a "tourism entity" as defined in the Room Tax Act.
 - b. The City or its Room Tax Commission may terminate this Agreement upon thirty (30) days' written notice, without cause, prior to the beginning of the fourth calendar quarter. The City and Room Tax Commission will remain liable for room tax owed during the quarter that notice is given.
 - c. In the event of termination, all funds in the possession of the CVB shall remain the property of CVB. However, the City shall make no further remittances to the CVB under this Agreement, beyond its obligations upon termination under para. b.
 - d. Following termination, the City or its Room Tax Commission shall have no further obligation to the CVB. However, the obligations of CVB to provide an accounting or audit as described in paragraph (6)(b) and a report as described in paragraph (6)(d), shall survive termination of this Agreement.
11. Indemnification and Hold Harmless. The CVB shall indemnify, save and hold harmless the City and all its officers, agents, employees and Room Tax Commission from any and all claims, demands, action, or causes of actions of whatever nature and character, arising out of or by reason of the execution or performance of work or services provided herein, except upon the sole negligence or willful misconduct of the City or its Room Tax Commission and further agree to defend, at its sole cost and expense, any action or proceeding commenced for the purpose of asserting any claim of whatever character arising hereunder.
12. Modification. This Agreement shall not be modified without an express written agreement executed by the parties.

13. Severability. If any provision or provisions of this Agreement shall be held to be invalid, such holding shall not in any way whatsoever affect the validity of the remainder of this Agreement.
14. Governing Law. This Agreement has been drawn and executed and shall be performed in the State of Wisconsin and shall be governed by the laws of the State of Wisconsin.
15. Waiver. No delay or omission by any party in exercising any right or power arising out of any default under any of the terms or conditions of this Agreement shall be construed to be a waiver of the right or power. A waiver by a party of any of the obligations of the other party shall not be construed to be a waiver of any breach of any other terms or conditions of this Agreement.
16. Enforcement. 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.
17. Entire Agreement. This Agreement sets forth the entire understanding of the parties hereto and supersedes any and all prior agreements, arrangements and understandings relating to the subject matter hereof. There are no representations, arrangements, understandings, or agreements, oral or written, not contained herein.
18. Authority. In signing this Agreement, the parties represent and warrant that the terms herein have been approved by their respective governing bodies and that appropriate authority rests in the signatories on behalf of the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement, comprising 17 paragraphs, as of the date first above written.

CITY OF WAUSAU

By: _____
Katie Rosenberg Mayor

Countersigned: _____
Kaitlyn A. Bernard, City Clerk

CITY OF WAUSAU ROOM TAX COMMISSION

By: _____
Michael Martens, Chair

Attest: _____
Tim VanDeYacht, Vice Chair

Wausau Central Wisconsin Convention & Visitors Bureau, Inc.

By: _____

Timothy White, Executive Director

Attest: _____

_____, CVB Board President