

1. Tourism Commission Meeting Packet 4/9/2018

Documents:

[3-APRIL 2018 PACKET.PDF](#)

TOURISM COMMISSION MEETING

April 9, 2018

4:15 – 5:30 p.m.

City Hall

- 1. Call to Order & Roll Call**
- 2. Routine Business –**
 - Consent Agenda**
 - Minutes of the previous meeting
 - Financial reports
 - Lodging Tax Collections
- 3. Requests to be heard (3 min each)**
- 4. Follow up on Key Media Social Media Training**
- 5. Website Analytics**
- 6. AirBNB in Faribault**
- 7. Billboard Update**
- 8. Hospitality Training Outline**
- 9. Directors Report**
- 10. New Meeting Time Reminder**
 - A. Second Mondays at 4:00**
 - B. Next Meeting May 14, 4:00**
- 11. Adjourn**

City of Faribault
Tourism Commission Notes – No Quorum
Tuesday, February 26, 2018 at 4:30 p.m.
Faribault City Hall – Public Meeting Room

Due to lack of a quorum, an official meeting was not held. The Commission discussed a variety of topics with no action taken on any of the discussion.

Commissioners present: Tami Schluter, Erin Sellner-Honken and John Sheesley,

Commissioners absent: Steve Bortz, Susan Garwood and Janna Viscomi.

Also present: Director of Community Marketing Nort Johnson, Administrative Assistant II Gina Carlson, City Administrator Tim Murray, and Faribault Area Chamber of Commerce Staffer Kelly Nygaard.

2. Routine Business

Due to lack of a quorum, routine business was not presented.

Lodging Taxes

Director Johnson stated lodging tax collections for 2017 looked good and a full report will be presented at the next meeting. Commissioner Sheesley asked for an explanation of how the collection works. Johnson stated the lodging entities pay a 3% tax to the City and the City pays the lodging tax to the Commission approximately 2 months later.

Johnson stated the Commission has no authority over the lodging tax collections or airbnb's. Sheesley asked City Administrator Murray if the City has an official stance on airbnb's. Murray stated he was not sure of the status but was aware of a letter from the City Attorney and would look into it.

Sheesley asked if a packet of materials outlining how easy it is to be in compliance with lodging tax requirements could be assembled to distribute to the airbnb's. Johnson asked Murray if there is something the City or the Commission should be doing pro-actively and Murray stated no one is enforcing the collection of taxes for airbnb's. Commissioner Schluter asked why the airbnb's are not being held to the same standard as other lodging facilities. Johnson stated the opinion of the Chamber of Commerce is that airbnb's should have the same requirements, regulations, and taxation. Murray stated he is unsure of what had been done regarding the topic prior to his becoming City Administrator.

3. Requests to Be Heard – None

4. Key Media Follow-Up

Director Johnson distributed a handout of additional data and statistics provided by Key Media Solutions. Highlights of the hand out included website traffic and search data.

5. Hospitality Training Outline

Director Johnson distributed a Hospitality Training Outline (draft). The Commission reviewed the outline. Commissioner Sheesley asked why the U of M is listed as a possible speaker for the *Tourism 101* session. Johnson stated the U of M has a tourism program. Sheesley suggested Dan Hoisington of Hoisington Preservation as a good choice for presenting Faribault history.

Sheesley asked under which category unique retail would be presented. Johnson stated under attractions and he will ensure a retail component is included within the category.

Commissioner Sellner-Honken expressed concerns about an all-day training and whether it would be prohibitive for small business owners to be away that long. Commissioner Schluter agreed with Sellner-Honken.

Chamber staff member Kelly Nygaard stated she is willing to knock on doors of businesses to tell them about the upcoming training. She also stated Chamber resources, such as the newsletter, were available. Sheesley asked Johnson if a list of members could be printed and Johnson stated it could be done.

Sellner-Honken asked Johnson if he had checked with South Central College about scheduling a room for the training. Johnson stated he had not.

Sheesley asked Johnson if a small advertisement could be placed in the newspaper and Johnson stated ad credits could be utilized.

Johnson stated he would like to get someone with "horsepower" to draw a crowd and asked the Commission for suggestions. Suggestions included Paul Mooty, Janel Klein, a customer service expert, and Director of Explore MN John Edmunds. A discussion took place on who would provide a good presentation on customer service.

Johnson stated the social media training can be moved to a later date. The Commission discussed possible locations for the social media training and the hospitality training. The social media training will take place at Shattuck St. Mary's in the afternoon. The hospitality training will take place at the Paradise Center for the Arts in the morning. The Commission discussed a potential date of March 26 to host an afternoon/evening session regarding Social Media. A potential date of March 27 was discussed for hosting a morning session. Marketing for the event can begin on March 1st.

6. Billboard Location Scouting Report

Chamber staff member Kelly Nygaard provided a scouting report on the I-35 billboard locations. Three billboard options are available located on I-35. The billboards are owned by Fairway Media and all three are lit 18 hours a day. Nygaard presented photos of each of the billboards and her observations:

- Option 1: \$1,000 for a four week rate - The location of this billboard is mid-way through Owatonna. Nygaard suggested eliminating this option due to location and tree blockage.
- Option 2: \$1,052 for a four week rate - The location of this billboard is 1 mile past the Clarks Grove exit. Nygaard stated this billboard has the greatest visibility.
- Option 3: \$800 for a four week rate - The location of this billboard is nearest to Albert Lea near exit #251 and is situated in the yard of the BP gas station. Nygaard stated a rest stop is located two miles down I-35 and may take some of the traffic. Nygaard suggested eliminating this option because this billboard is recessed back farther from the highway.

7. Director's Report

Director Johnson did not present a report.

8. New Meeting Time Reminder

Tourism Commission meetings will take place the second Monday of each month at 4:00 p.m. The next meeting will take place March 12.

9. Adjourn

The meeting was adjourned at 5:48 p.m.

Respectfully submitted,

Gina Carlson

**Gina Carlson, Administration
Administrative Assistant II**

**Faribault Area Chamber of Commerce Inc.
2018 Tourism Budget
Jan-March Report**

Jan - March

		Jan - March 18	18 Budget
Ordinary Income/Expense			
Income			
Tourism Income carry over		21,823.09	21,900.00
Tourism Lodging Tax		9,045.83	115,000.00
FDN Partnership		0.00	1,000.00
EMT Grant		0.00	6,000.00
Total Tourism Income		30,868.92	143,900.00
Total Income		30,868.92	143,900.00
Gross Profit		30,868.92	143,900.00
Expense			
Tourism Expense			
Tourism Overhead			
Tourism Dues and Subscriptions		19.95	0.00
Overhead		3,000.00	18,000.00
Total Tourism Overhead		3,019.95	18,000.00
Tourism Marketing Services			
Development/Training		723.60	1,000.00
Marketing Services		5,500.00	33,000.00
Tourism Marketing Services - Other			
Total Tourism Marketing Services		6,223.60	34,000.00
Tourism- Marketing			
Tourism Website		800.00	1,500.00
Tourism Ad Production		0.00	1,000.00
Tourism Promotional Items		0.00	500.00
Tourism Highway Signs		2,438.00	4,500.00
Tourism Postage		0.00	1,100.00
Tourism Travel Shows		4,781.10	1,000.00
Brochure Display/Distribution		1,386.24	6,000.00
Display Piece		0.00	1,100.00
SEM/Content		0.00	10,700.00
Tourism- Marketing - Other		359.00	2,500.00
Total Tourism- Marketing		9,764.34	29,900.00
Tourism Advertising			
Explore Minnesota Travel Guide		2,971.25	2,971.25
SMTA Guide		2,800.00	2,800.00
Minne Road Trip		4,000.00	4,000.00
Billboards		3,420.00	13,000.00
Facebook		0.00	2,500.00
Tourism Advertising - Other		675.16	20,000.00
Total Tourism Advertising		13,866.41	45,271.25
Total Tourism Expense		32,874.30	127,171.25
Total Expense		32,874.30	127,171.25
Net Ordinary Income		-2,005.38	16,728.75
Net Income		-2,005.38	16,728.75

Faribault Area Chamber of Commerce Inc.
Tourism Budget Approved 2018 Submission to City

With 2017 Final Budget for Comparison

November 2017

		Jan - March 18	18 Budget
Ordinary Income/Expense			
Income			
	Tourism Income carry over	21,900.00	21,900.00
	Tourism Lodging Tax	9,045.83	115,000.00
	FDN Partnership	0.00	1,000.00
	EMT Grant	0.00	6,000.00
	Total Tourism Income	30,945.83	143,900.00
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Gross Profit		30,945.83	143,900.00
Expense			
Tourism Expense			
	Tourism Overhead		
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	Overhead	3,000.00	18,000.00
	Total Tourism Overhead	3,019.95	18,000.00
	Tourism Marketing Services		
	Development/Training	723.60	1,000.00
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	Tourism Advertising		
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	Tourism Advertising - Other	675.16	20,000.00
	Total Tourism Advertising	13,866.41	45,271.25
	Total Tourism Expense	32,874.30	127,171.25
	Total Expense	32,874.30	127,171.25
Net Ordinary Income		-1,928.47	16,728.75
Net Income		-1,928.47	16,728.75

Faribault Area Chamber of Commerce and Tourism							% + or -			
Lodging Tax Collection Record										
Month	2014 Tax	2014 Y to D	2015 tax	2015 Y to D	2016 tax	2016 YTD	2017 tax	2017 YTD	2018 tax	
January	\$6,783.16	\$6,783.16	\$6,435.53	\$6,435.53	\$7,200.75	\$7,200.75	\$8,468.34	\$8,468.34	\$9,045.83	
February	\$7,261.32	\$14,044.48	\$7,112.18	\$13,547.71	\$8,114.26	\$15,315.01	\$7,651.59	\$16,119.93	\$0.00	
March	\$6,871.01	\$20,915.49	\$6,477.84	\$20,025.55	\$7,224.47	\$22,539.48	\$7,316.37	\$23,436.30	\$0.00	
April	\$6,011.77	\$26,927.26	\$6,138.24	\$26,163.79	\$7,276.37	\$29,815.85	\$7,577.22	\$31,013.52	\$0.00	
May	\$9,407.94	\$36,335.20	\$9,267.48	\$35,431.27	\$9,220.89	\$39,036.74	\$11,310.71	\$42,324.23	\$0.00	
June	\$10,944.04	\$47,279.24	\$11,135.07	\$46,566.34	\$11,185.17	\$50,221.91	\$12,524.93	\$54,849.16	\$0.00	
July	\$9,570.35	\$56,849.59	\$11,441.80	\$58,008.14	\$12,079.98	\$62,301.89	\$13,830.14	\$68,679.30	\$0.00	
August	\$10,848.94	\$67,698.53	\$10,648.33	\$68,656.47	\$12,382.17	\$74,684.06	\$13,268.92	\$81,948.22	\$0.00	
September	\$8,566.61	\$76,265.14	\$10,020.59	\$78,677.06	\$13,069.53	\$87,753.59	\$13,475.09	\$95,423.31	\$0.00	
October	\$7,356.34	\$83,621.48	\$8,562.08	\$87,239.14	\$10,887.47	\$98,641.06	\$11,229.95	\$106,653.26	\$0.00	
November	\$5,014.57	\$88,636.05	\$6,307.73	\$93,546.87	\$8,572.48	\$107,213.54	\$9,006.28	\$115,659.54	\$0.00	
December	\$6,429.46	\$95,065.51	\$8,029.03	\$101,575.90	\$9,181.82	\$116,395.36	\$8,676.25	\$124,335.79	\$0.00	
	\$630.42									
Year Total	\$95,695.93	1.03	\$101,575.90	1.06	\$116,395.36	1.15	\$124,335.79	1.07	9045.83	
*** Remember we are two months behind in collection of the lodging tax dollars.										
Motels pay at the end of the month and we receive it from the city approximately two months later.										
Late Payment										