



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: **Wednesday September 16, 2020 at 6:00PM**
Location: City Hall (407 Grant Street) Council Chambers
Room Tax Members: Michael Martens, Lisa Rasmussen, Tom Neal, Tim VanDeYacht, Tom Weaver
Finance Members: Michael Martens, Lisa Rasmussen, Deb Ryan, Sarah Watson, Dawn Herbst

AGENDA ITEMS FOR CONSIDERATION

- 1 Call meeting to order
- 2 Minutes of the previous meeting 7/16/2020
- 4 Discussion and Possible Action regarding update on the 2020 Room Tax Revenue
- 5 Discussion and Possible Action regarding the Wausau/Central Wisconsin Conventions and Visitors Bureau Contract
- 6 **CLOSED SESSION** pursuant to Wis. Stat. s. 19.85(1)(g), for the purpose of conferring with legal counsel for the rendering of oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved, specifically regarding the contract for services with the Wausau/Central Wisconsin Convention & Visitors Bureau
- 7 **RECONVENE** into Open Session Regarding the Contract for Services with the Wausau/Central Wisconsin Convention & Visitors Bureau
Adjourn

Individuals appearing in person will either be seated in the Council Chambers or an overflow room, subject to the social distancing rules. Space available will be on a first come, first served basis. All public participants' phones will be muted during the meeting. Members of the public who do not wish to appear in person may view the meeting live over the internet by <https://waam.viebit.com/?folder=ALL>, on the City of Wausau's YouTube Channel <http://www.tinyurl.com/WAAMedia>, live by cable TV, Channel 981, and a video is available in its entirety and can be accessed at <https://tinyurl.com/WausauCityCouncil>. Any person wishing to offer public comment who does not appear in person to do so, may e-mail mary.goede@ci.wausau.wi.us with "Finance Committee public comment" in the subject line prior to the meeting start. All public comment, either by email or in person, will be limited to items on the agenda at this time. The messages related to agenda items received prior to the start of the meeting will be provided to the Chair.

IMPORTANT: THREE (3) MEMBERS NEEDED FOR A QUORUM: If you are unable to attend the meeting please notify Mary Goede by calling 715-261-6621 or via email mary.goede@ci.wausau.wi.us

This Notice was posted at City Hall and faxed to the Daily Herald newsroom

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids & services. For information or to request this service, contact the City Clerk at (715) 261-6620.

Other Distribution: Media, Alderpersons: (Peckham, Neal, Kilian, Wadinski, McElhaney, Larsonz) Mayor Rosenberg, Department Heads

2020 ROOM TAX ACTIVITY TO DATE

	TOTAL
CARRYOVER FROM 2019	76,882.65
ROOM TAX REVENUE TO DATE	307,485.55
TOTAL AVAILABLE	384,368.20
PROJECTED AUG-DEC	150,000.00
TOTAL AVAILABLE	534,368.20
ROOM TAX COMMISSION AWARDS:	
PERFORMING ARTS 2019 GRANT	10,000.00
ROOM TAX RETAINED BY HOTELS	4,575.00
TOTAL EXPENSES TO DATE	14,575.00
CITY FUNDS	420,995.96
TOURISM COMMISSION FUNDS	98,797.24
2019 RESERVES	77,859.69
2020 REVENUES	20,937.55

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, 2019.

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; and

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 forward 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:
 - 1. Marketing projects, including but not limited to advertising media buys, creation and efforts to recruit conventions, sporting events, programs, or motor coach groups.
 - 2. Transient tourist informational services.
 - 3. Tangible municipal development, including a convention center.
 - 4. 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. Financing. 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 the greater of either 30% of its current year room tax revenues, effective with taxes collected and expenditures made on January 1, 2017, for FY 2017, Room Tax amount retained in FY 2014; for FY 2018, that retained in FY 2013, for FY 2019, that retained in FY 2012; for FY 2020, that retained in FY 2011; and for FY 2021 and forward, that retained in FY 2010. The City will furnish CVB with the amounts the City retained for years 2010, 2011, 2012, 2013, and 2014 for future budgeting purposes by July 31 of each year for the upcoming year.
 - b. The City will forward to its Room Tax Commission, any room tax revenue exceeding the amount it may retain by the Room Tax Act.
 - c. The Room Tax Commission, in turn, will remit 37.5% of room tax collected to the CVB on a quarterly basis, 6.25% of which is designated for the Central Wisconsin Sports Authority to fund opportunities to host major sports tournaments 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.
 - d. The CVB shall submit an invoice to the City on a Quarterly basis. The invoice shall contain such detail by property as may be required by the city. It is expressly understood that the City or its Room Tax Commission is obligated to pay only the CVB for any expenses incurred in carrying out the terms of this agreement.

5. Appointment of Tourism Entity. The City and its Room Tax Commission, hereby appoint the CVB as the tourism entity referenced in the Room Tax Act. The city retains the right to enter into other non-exclusive agreements in compliance with the Room Tax Act.
6. CVB Responsibilities. The CVB shall be responsible for the following:
 - a. 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 or 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.
 - b. 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 sixty (60) 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 sixty (60) 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.
 - c. 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.
 - d. 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 2017 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.
 - e. Compliance. The CVB agrees to comply with applicable laws pertaining to its non-profit status.
7. 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.
8. Room Tax Delinquencies. The parties agree that they shall work together toward the collection of any delinquent room tax owed to the City 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.

9. 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.
10. Term. This Agreement shall remain in effect for a period of two (2) years from the effective date of this Agreement. Upon conclusion of the term, the lease shall automatically renew for successive one (1) year terms on identical terms unless terminated as follows:
- a. The City or its Room Tax Commission may terminate this Agreement at any time 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. In the event of termination, the funds in the Room Tax Account shall be the property of the City or its Room Tax Commission. All other 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.
 - c. 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: Robert B. Mielke
Robert B. Mielke, Mayor

Countersigned: Toni Rayala
Toni Rayala, Clerk

CITY OF WAUSAU ROOM TAX COMMISSION

By: Tom Weaver
Tom Weaver, Chair

Attest: Tim Van De Yacht
Tim Van De Yacht, Secretary

Wausau Central Wisconsin Convention & Visitors Bureau, Inc.

By: Richard Barrett
Richard Barrett, Executive Director

Attest: Jodi Maguire
Jodi Maguire, Secretary