



Visit Estes Park
The Destination
Marketing Organization
VisitEstesPark.com

Board of Directors Regular Meeting November 15, 2016 Minutes

Board Members Attending: Steve Kruger, Lindsay Lamson, Karen Ericson, Jon Nicholas, Adam Shake, Scott Webermeier, and Cody Walker (Town Trustee Liaison)

Board Members Absent: Morgan Mulch

Also Attending: Carrie Arnold, Art Messal, Michelle Highland, and Kyle Patterson

Elizabeth Fogarty, Visit Estes Park President & CEO
Michael Bodman, Visit Estes Park Finance & Administration Manager

The meeting was called to order by Chair Scott Webermeier at 2:00 p.m.

Public Comment: Michelle Highland stated that tourism at any cost can be destructive. The Estes Park Economic Development Corporation (EDC) and Visit Estes Park should work together, according to Highland, and VEP should contribute financially to the EDC. She added that she thinks that Visit Estes Park needs more data and measurement. Highland stated that her objective is to make things better.

Art Messal stated that the last meeting did not mention marketing. In addition, Messal indicated that the Larimer County Commission discussion was not accurately presented by the Visit Estes Park Chair. According to Messal, Visit Estes Park appears to be more interested in serving itself than the community.

Carrie Arnold stated that she was astonished at what she just heard. She disagreed with everything that was just said. Visit Estes Park has more data and Key Performance Indicators than any other she's seen and the organization is very transparent and willing to share information. Carrie also shared that business is great.

Board Comment: Lamson stated that he took exception to the self-serving criticism mentioned in the public comments. He suggested that Highland and Messal should consider sitting down with some Board members to get a more comprehensive perspective.

Kruger also took exception to the self-serving criticism mentioned in the public comments. He stated that he's seen an immeasurable improvement in his company's business, thanks in large measure to Visit Estes Park's efforts.

A. Action Items

1. Approval of Agenda: Shake motioned to approve the agenda, Kruger seconded, and the Board approved unanimously.

2. Approval of Minutes from the November 1, 2016, Board Meeting: Ericson and Lamson asked that the November 1, 2016, minutes be corrected to show VEP's actual brand promise investment over the years. Fogarty stated that she needed to research the correct number and report back to the Board. The Board agreed to table the November 1 minutes until next meeting.

3. CORA Records Requests and Management: Resolutions

Shake asked about the source of the resolutions. Fogarty responded that the resolutions came from state statutes and legal counsel.

Shake motioned to approve the first Resolution 04-16, Lamson seconded, and the Board approved unanimously.

On the second Resolution 05-16, Lamson asked if it was the same policy as the town. Fogarty replied that it was basically the same policy with minor edits. She added that she just heard from VEP legal counsel that Visit Estes Park should add a provision to the second resolution requiring prepayment before records release.

Nicholas motioned to approve Resolution 05-16, with the added provision, Kruger seconded, and the Board approved unanimously.

- a. Direction to CEO for Current Request and Future

Fogarty stated that she had some sample reports on metrics and accountability. She stated that Visit Estes Park could get bogged down in reports, so there needs to be a proper balance so as not to compromise marketing strategy and deployment.

Lamson asked about the most important metric that the Board needs to gauge the performance of the organization. For example, he asked how well the Visit Estes Park website funnels business to local business partners. Ericson replied that she does not need to know about conversion rates, which is down too far in the weeds. She needs to know big-picture goals and whether Visit Estes Park is meeting those goals, of which the KPI provides that sufficiently. Ericson stated no additional reports are needed.

Shake added that there are metrics on metrics, and there can be no end to it. As long as Visit Estes Park is using industry best practices, Shake thinks the organization is fine. The current Key Performance Indicators (KPI) are satisfactory.

Fogarty stated that Visit Estes Park is ahead of many other DMOs in the country in terms of what the organization is doing with strategic data-driven marketing. The KPI is a legitimate report card. Lodging tax, for a specific example, is the most indicative indicator of how Visit Estes Park's marketing is performing.

Lamson asked how the county found the KPI to be insufficient. Fogarty replied that Commissioner Johnson asked for some specific information, which she gave him in print form that day. The other commissioners agreed that the information was not appropriate for an operating plan. Fogarty agreed to consider adding more metrics to the 2018 operating plan, and shared she was willing to share additional data for 2017, in the meantime.

Fogarty stated that she still needed more clarity on how much time to spend on records request follow-up questions, given time constraints. Webermeier replied that perhaps it should be a

case-by-case basis. Shake asked if anything could be delegated to staff. Fogarty replied that she did not want to overburden the staff.

Fogarty offered that she could come back to the Board when she received specific records requests and questions. Nicholas asked if the data came from outside vendors. Fogarty replied that much of the data does come from outside contractors. Webermeier stated that he thought it appropriate for the Board to vet requests for information as they come in. Fogarty asked if she needed to ask the whole Board or just the Executive Committee. The Board agreed that the Executive Committee was sufficient.

4. CEO Contract Correction: Webermeier stated that he was in favor of making a correction to the CEO contract. The base salary was incorrect: \$116,865 vs. \$110,250.

Shake motioned to approve the contract salary correction to \$116,865, Kruger seconded, and the Board approved unanimously.

B. Discussion Items and Reports

1. Kyle Patterson, Rocky Mountain National Park (RMNP): Patterson stated that Trail Ridge Road's status is undetermined. Xanterra was awarded a new 10-year contract to operate at the Alpine Visitor Center. For 2017, fee-free days have been decided, and Patterson indicated that she would email a detailed list for reference. Visitation statistics: September was up 10.4%, and year-to-date was up 8.3%. The park is expecting visitation statistics for October to be good due to the warm weather. Shuttle ridership in 2016 was up 22% over 2015. Next year, the hiker shuttle will begin early on Memorial Day weekend. RMNP will continue to consider ways to mitigate issues related to crowding. Shuttle buses are not a cure-all for this issue, according to Patterson. Zion is looking at restricting use. RMNP is looking at adding new capacity, such as new trails. RMNP staff is half Yellowstone and one-third that of Yosemite even though RMNP now has higher visitation.

2. Cody Walker, Town of Estes Park Trustee Liaison: Walker stated that Charles Dickey has been appointed to the Visit Estes Park Board. 2021 is the earliest date that Estes Park could receive any federal funds for the Loop. On December 13, there should be a decision made on Accessory Dwelling Units. The town has a balanced budget.

3. VEP Chair Transition Discussion: Shake noted that he requested this item be added to the agenda. Walker asked if the county had made any Board appointments. Lamson stated that there had been no interviews yet. Nicholas stated that Visit Estes Park should wait until all of the new Board members have been appointed. But this current Board should begin the process with Chair nominations ahead of time.

Shake stated that he had not given it a lot of thought. He indicated a concern about his current position with the EDC possibly creating issues. Kruger stated that he was interested in serving as Chair, and that he had the support of his wife and employer. Lamson stated that he was not interested in serving as Chair, but he could be a backup as needed, and continue to serve on the finance committee, along perhaps with the new Board member, Charley Dickey.

4. Public Comment Parameters: Webermeier stated that Board meetings are conducted in public, but that the meetings are nonetheless not public discussions. Ericson stated that the Board should maintain public input, but no back and forth, and limit to three minutes, barring exceptions. The Board agreed on these parameters.

5. Visit Estes Park Loop: Walker noted that there was a special meeting scheduled for November 29 at the event center. If the project cost increases by 2021, federal funding would be increased accordingly, said Walker. Action by the trustees is expected. Fogarty added that the loop proposal is still as it was before. Shake asked for Dickey's input. Dickey stated that the Town Board is going to decide on the loop at the November 29 meeting. Lamson and Kruger agreed that traffic and safety have a direct impact on the guest experience.

Elizabeth shared Loop pro and con info. with the Board and asked the Board for direction on whether to take a position, and if so, what position.

Shake motioned that Visit Estes Park take a position at the loop meeting as follows: (1) recommend acceptance of the environmental assessment, and (2) support the Federal Lands Access Program (i.e., the loop), Kruger seconded, and the Board approved unanimously.

6. Private Vacation Homes: Fogarty requested a VEP position vacation homes. Kruger agreed. Fogarty stated that the Estes Area Lodging Association (EALA) has already taken a position. She added that the number of lodging tax accounts has gone up 45% over the past five years due to vacation homes coming out from "underground" status. Nicholas stated that there is a misperception that people with second homes would use them as long-term rentals instead of vacation homes. As long-term rentals, owners could not visit their homes at all during the year, so it's not a realistic assumption that they will ever become long term rentals. Lamson stated that he thought Visit Estes Park should take a position that vacation homes are an important part of the local lodging mix. Ericson added that quality of life is important, too. Sensible enforcement needs to be part of the mix, according to Ericson.

Nicholas motioned to approve a position on vacation homes as follows:

*Final resolution that was
read at planning
commission attached.*

WHEREAS, communities throughout the United States rely on local hotel taxes to promote travel and tourism and support the local visitors industry; and

WHEREAS, local hotel taxes often fund destination marketing organizations; and

WHEREAS, local hotel taxes often support local cultural programs including music, film, gaming, visual arts, dance and more; and

WHEREAS, short-term rental of homes can often be subject to hotel taxes; and

WHEREAS, short-term rental of homes can provide a flexible housing stock that allows family travelers spending longer periods of time in a community a safe accommodation while contributing to the local economy; and

WHEREAS, short-term rental of homes can provide homeowners an opportunity to hold property as an investment, for a better sales market, or for future planning; and

WHEREAS, fair regulation of short-term rentals ensures greater compliance and greater receipt of local hotel taxes; and

WHEREAS, regulations of short-term rentals that establish a reliable way for a municipality to identify and contact the short-term rental owner, make the tax collection and remittance

obligation clear and treat the short-term rental owner the same as long-term rental owners can achieve the highest level of compliance; and

WHEREAS, onerous regulations of short-term rentals can drive the industry underground, thus evading local regulations and local hotel taxes;

NOW, THEREFORE, BE IT RESOLVED, that the Estes Park Local Marketing District, doing business as Visit Estes Park, urges support for economic development opportunities through the visitors industry by encouraging regulations of the short-term rental industry that (1) establish a reliable way for the municipality to identify and contact the short-term rental owner; (2) make the tax collection and remittance obligations clear to the short-term rental owner; and (3) treat short-term rental tenants the same as long-term rental tenants. Regulations that accomplish all three can achieve a high level of compliance, and are highly effective.

Lamson seconded and the Board approved unanimously.

7. Finance Report: Fogarty summarized Visit Estes Park's current financial situation. She noted that the current cash balance would likely decline in the next few months since there was a large amount of upcoming expenditures anticipated.
8. CEO Report: Fogarty noted that Colorado Tourism Office CEO Kathy Ritter was coming to Estes Park November 19. She stated that it would be nice if the Board could be there. Visit Estes Park is organizing the Tinsel Tavern Tour (TTT) this year, due to the Town cancelling it. She stressed that VEP is not going to get into the event business, and Tinsel Tavern Tour would truly be the exception for "owned" events. Possibly TTT might be a yearly VEP signature event. Elizabeth shared that considering VEP is doubling its winter budget, it is necessary to, at the very least, maintain all winter activities and events to support the campaign and give guests something to do – thus the reason that TTT was resurrected. The theme is retro/vintage winter and ski gear. A micro site is being set up to advertise the event on the VEP website, supported by social and print.
As part of the winter campaign, Visit Estes Park is presenting "Estes Park pop ups" at Denver Union Station on the Friday after Thanksgiving, and Pearl St. Boulder Saturday after Thanksgiving to promote the destination during the winter months and encourage visitation. Activities are ice sculptures including a 6 ft. ice elk, free hot cocoa, winter branded signage, giveaways, gift magnets highlighting the winter events, both branded booths will be up, and Visitor Guide distribution.

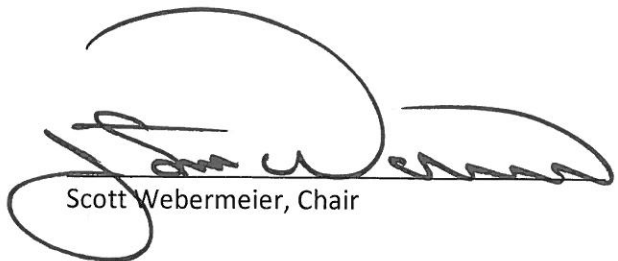
C. Adjournment: Nicholas motioned to adjourn, Lamson seconded, and the Board approved unanimously.

The meeting adjourned at 4:25 p.m.



Michael Bodman, Recording Secretary

DATE: 12-9-16



Scott Webermeier, Chair

DATE: 12/16/16



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*Actual Resolution that
Elizabeth read aloud
at planning commission
meeting.*

November 29, 2016 – Planning Commission Meeting

Re: Private Vacation Homes – Visit Estes Park Position

On November 15, 2016, the Local Marketing District Board (dba Visit Estes Park) took a formal and unanimously approved position on private vacation homes for the Estes Valley.

WHEREAS, communities throughout the United States rely on local accommodation taxes to promote travel and tourism and support the local visitors industry; and

WHEREAS, local accommodation taxes often fund destination marketing organizations; and

WHEREAS, local accommodation taxes often support local cultural programs including music, film, visual arts, dance and more; and

WHEREAS, short-term rental of homes can often be subject to accommodation taxes; and

WHEREAS, short-term rental of homes can provide a flexible housing stock that allows family travelers spending longer periods of time in a community a safe accommodation while contributing to the local economy; and

WHEREAS, short-term rental of homes can provide homeowners an opportunity to hold property as an investment, for a better sales market, or for future planning; and

WHEREAS, fair regulation of short-term rentals ensures greater compliance and greater receipt of local accommodation taxes; and

WHEREAS, regulations of short-term rentals that establish a reliable way for a municipality to identify and contact the short-term rental owner, make the tax collection and remittance obligation clear and treat the short-term rental owner the same as long-term rental owners, can achieve the highest level of compliance; and

WHEREAS, onerous regulations of short-term rentals can drive the industry underground, thus evading local regulations and local accommodation taxes, while also compromising guest and resident safety;

NOW, THEREFORE, BE IT RESOLVED, that the Estes Park Local Marketing District, doing business as Visit Estes Park, urges support for economic development opportunities through the visitors industry by encouraging regulations of the short-term rental industry that (1) establish a reliable way for the municipality to identify and contact the short-term rental owner; (2) make the tax collection and remittance obligations clear to the short-term rental owner; and (3) treat short-term rental tenants the same as long-term rental tenants. Regulations that accomplish all three can achieve a high level of compliance, and are highly effective.