

**AGENDA – November 28, 2012  
3:00 pm – 4:00 pm, CVB**

**Strategic Tourism Planning Board  
Tompkins County**

**Agenda**

- 1) Meeting Minutes - 3 minutes
  - **ACTION** – Adopt October minutes
- 2) Chair's REPORT – David Sparrow - 10 min
- 3) Grant Program Update – Tom Knipe - 5 minutes
- 4) CVB REPORT – Fred Bonn – 15 minutes
- 5) Membership and Bylaws Committee – Anthony Hopson – 20 minutes
  - **ACTION** – Vote to recommend 2013 STPB Member appointments
- 6) Announcements

**Agenda packet:**

1. October STPB meeting minutes
2. CVB Report
3. Tourism Partner Response to Use ROT for Non Tourism Programs
4. STPB Member application list for At-Large positions  
(full applications available through the Tourism Program FTP site - <http://gisweb.tompkins-co.org/htcomnet/>)

STPB Bylaws available online:

<http://www.tompkins-co.org/tourism/STPBinformation.htm>



**MISSION:**

The Strategic Tourism Planning Board is charged by the Tompkins County Legislature with providing oversight and strategic direction for tourism initiatives that *promote economic development* and *enhance the quality of life* in Tompkins County.

## Tompkins County Strategic Tourism Planning Board (STPB) Meeting Minutes – October 2012

**Date:** October 17, 2012  
**Time:** 3:00-4:30pm  
**Location:** Convention and Visitor's Bureau

### Attendees:

| Name           | ✓   | Representation             | Name             | ✓   | Representation             |
|----------------|-----|----------------------------|------------------|-----|----------------------------|
| Anne Kellerman | exc | At-Large                   | Sue Perlgut      | ✓   | Arts-Culture               |
| Anthony Hopson | ✓   | Ithaca College, Vice-Chair | Sue Stafford     | exc | TC3                        |
| Beverly Baker  | ✓   | At-Large                   | Susie Monagan    | ✓   | Arts-Culture               |
| David Sparrow  | ✓   | At-Large, Chair            | Tim Joseph       | ✓   | At-Large                   |
| Ethan Ash      | ✓   | Arts-Culture               | VACANT           |     | At-Large                   |
| Gary Stewart   |     | Cornell                    | Brett Bossard    |     | CAP, Non-Voting            |
| Jon Reis       | exc | Arts-Culture               | Fred Bonn        | ✓   | CVB, Non-Voting            |
| Ken Jupiter    | ✓   | At-Large                   | Gary Ferguson    |     | DIA, Non-Voting            |
| Paul Tatar     | ✓   | Recreation                 | Jean McPheeters  | ✓   | Chamber, Non-Voting        |
| Rick Adie      | ✓   | Lodging                    | Martha Armstrong |     | TCAD, Non-Voting           |
| Rita Rosenberg |     | Agriculture                | Will Burbank     | ✓   | TC Legislature, Non-Voting |
| Scott Wiggins  | ✓   | Lodging                    | VACANT           |     | Transportation, Non-Voting |
| Stuart Stein   | exc | At-Large                   | Tom Knipe        | ✓   | Staff                      |

**Also in attendance:** Christy Agnese, Ronda Roaring (Ilovethefingerlakes.com), Kathy Wilsea (Tompkins County Planning Dept.)

### Agenda

1. Approval of minutes for September, 2012 STPB meeting
2. Chair's report
3. TCAD Funding Report and Discussion
4. Board Assessment Results and Discussion
5. Announcements

### Discussion

**The meeting was called to order at 3:08 PM.** Visitor introductions were made.

**September Minutes** were approved unanimously without change.

**Chair's Report** – Chair David Sparrow announced that PDEQ approved the Capital Grants as submitted by STPB. Concerning Community Celebrations, a majority of PDEQ members wanted to give \$500 to the Veterans Parade. At the direction of PDEQ, the Community Celebrations committee met and adjusted other grant amounts and submitted the changes to the County Legislature, where the revised amounts passed. Scott asked if we could have moved contingency funds to cover that. David said we were directed specifically to adjust the rest to allow a grant for the Veterans Parade. Will Burbank pointed out that STPB is an advisory board and meeting again to recommend revisions was not necessary. He voted against the motion to change at PDEQ after having been part of the process at the Community Celebrations Committee. Tom Knipe addressed Scott's question about moving money from the contingency fund, suggesting the Budget Committee should discuss the possibilities. David continued with his report by saying the Strategic Plan Implementation Funding Opportunity and ACOD administration changes were supported in discussion at PDEQ.

Carol Chock was injured in a pedestrian/automobile accident and will be out of commission for several months. Fred Bonn provided get-well cards that members were invited to sign.

**TCAD Funding Report and Discussion** – A document from the County Administrator was attached to the agenda. David forwarded the Task Force charge to STPB members this afternoon by email. The County Administrator and Chair of the Legislature decided to organize a review committee. Members have now been identified: five legislators and several community leaders are voting members. Non-voting members

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will be Joe Mareane (County Administrator), Michael Stamm (President of TCAD) and Tiffany Gallagher (representing the lodging industry). Points for Task Force consideration: Do they support increasing County funding for TCAD? If so, retain at 1/3 or choose some other formula? If funding, what will be the source? If funding, will they require changes at TCAD? The Task Force will make recommendations to the County Legislature. If they recommend use of room tax dollars, it would impact STPB.

Scott Wiggins provided history, saying innkeepers approached the County Legislature and proposed the initial room tax. Stu Stein proposed an increase from the initial 3% to 5% about 10 years ago, which innkeepers didn't initially support, but have realized the positive possibilities. Scott feels TCAD does a magnificent job for Tompkins County, but he doesn't have the background to compare it to other similar organizations. He thinks use of room tax for TCAD is inappropriate, and gave several reasons. When we were considering creation of a Tourism Coordinator position, TCAD was approached but declined because tourism is not part of their charge. Now room tax is one of the options being proposed for funding TCAD: increase property tax, use sales tax, set a percentage of room tax, use room tax only from new growth of lodging, increase the room tax, or eliminate restrictions on room tax use and put it into the annual fund.

Scott expressed concern that if we open the door for TCAD, it would open to other things, too. The Strategic Plan was just completed and supported by the County Legislature with no mention of TCAD during the process. He hasn't heard in the dialog any proposals for unique ways to increase our room tax receipts. Innkeepers asked to be on the Task Force, and were offered one non-voting seat. Tompkins County already receives \$200,000 for administration and \$75,000 for the Tourism Coordinator function.

Jean McPheeters disclosed that she serves on the TCAD board. She had concerns about using IDA funds as the primary means of support for TCAD primarily with IDA funds. Now the number of bonding projects is down, so IDA income is down. TCAD now does some business loans that were previously administered by Tompkins County Planning Department. Tourism activities do lower property taxes, by offsetting with sales tax. For every \$5 in room tax, \$4 in local sales tax. More rooms coming online might not mean more room tax – they need to be occupied. She would prefer funding TCAD from the general fund, but that might not be possible. The County Administrator's white paper leads to room tax, but maybe that's not the only or best path. Arts organizations need to comment. If TCAD needs a slice of the pie, how do we grow the pie?

Anthony Hopson thanked Scott for clarifying the issues. He would like some context from the County Legislature. This is an issue about which IC as a leading employer, is very concerned because of their emphasis on the cultural, artistic and natural treasures in their employee recruiting efforts and these treasures are supported by the room tax. He also mentioned the important role of TCAD.

Sue Perlcut asked what STPB can do as a body – write our own paper voicing concerns and expected impact? Make a show of support for our partners? We need to be pro-active.

David said Tom Knipe has provided data about the tourism program to STPB members upon request, and Tom said that he would continue to respond to such requests for information, and that he had also reached out to offer to provide information to the Task Force, should they request it.

Other members agree STPB needs to stand ready to comment and provide data to substantiate our comments.

Rick Adie expressed that he considers the process to date to be disrespectful to STPB. A committee has been created that, by its makeup, supports TCAD, not STPB. Although Tiffany was added, she is in a non-voting seat. The characterization of room tax being used for a "narrow range of programs" in the task force charge is inaccurate. Concerning more rooms in our community, he always tells developers not to build unless they are adding meeting space because the opportunity for growth here lies in the mid-week, for which the marketing and group sales work of the CVB is critical. We have new meeting space and rooms coming online now that needs investment through room tax to fill rooms. STPB needs a bigger voice in this process.

David pointed out Joe Mareane was invited today, but was unable to attend.

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Fred Bonn said we are leading in our competitive set. Tourism is a strong economic engine – people are willing to attend weekend functions and pay a premium for weekend lodging. Giving up room tax dollars for TCAD would impact our ability to market rooms during the week. He is hearing about three more possible hotels to be built, but we need to fill rooms during the week.

Beverly Baker asked if the amount of room tax that can go to the general fund is currently limited to 10%, and Jean said it is. Jean has spoken with Stu Stein, who has concerns about reopening the law, which has to go through the State Legislature. We could get more changes that we don't want, and the process is fraught with danger and a concern for her.

Paul Tatar said we can show our annual success of the room tax programs. If we are successful, support should be maintained for the Tourism Program. Anthony said we should focus on strengthening our programs without disparaging TCAD. Ken Jupiter said, although TCAD's success shouldn't be part of our discussion, Tompkins County should take this opportunity to discuss what TCAD does and how they do it. Tim said that is part of the Task Force charge. The white paper comes from the County Administrator and Chair of the Legislature, and any comments from STPB should go to them. TCAD is very effective and very focused on local business. Tim provided some history of IDA's function in bonding when the Dormitory Authority process became cumbersome. Bonding was how IDA earned fees, which were used to support TCAD because the IDA had no expenses. Everybody realized this would become untenable and predicted the County would be asked for funds again. Use of room tax is now one of the options on the table.

Will Burbank said he was also in early meetings. He didn't feel there was early intention to go after room tax dollars. Other ideas were not palatable. The committee was created to take a large and disinterested view. The first basic question is whether or not TCAD is worth supporting. If the County gives them public dollars, does that change their accountability to the County? If the County supports TCAD, what are the funding options? These decisions will be made by the County Legislature. What would it mean to our community if we didn't have TCAD? He pointed out many visitors to Ithaca come for business purposes.

Sue Perlgut commented if the tourism program were diminished, that could also diminish TCAD. The room tax could be broken open for many other purposes.

Scott said that around 10% of travelers are truly business related, and that the numbers given in the white paper do not paint a transparent picture of the makeup of visitors who stay in hotels. Ken suggested having Tom Knipe examine the numbers from the Chmura Study. Tom said he has prepared a detailed examination of the Chmura study for the makeup of business travelers, and that will be appended to the minutes of today's meeting.

David said we exceeded the time planned on the agenda, but it has been an important discussion. He will keep STPB informed throughout the process. The planned schedule for the task force would allow submitting legislation to the State early in 2013. There were suggestions for next steps for STPB, and David asked that members who are willing to serve on an ad hoc committee contact him. Scott is willing to serve as chair. The first Task Force meeting will be 10/29, 5:30 PM at the CVB, but it will be an organizational meeting. Will said the meetings will be open to the public, but later meetings will be better times to speak, as the first meeting is mainly organizational.

There was discussion about taking a pro-active step to produce a resolution or position statement from STPB. Rick Adie moved to draft a resolution that STPB is opposed to eroding the use of room tax dollars by using them for programs other than those for which they were initially intended. Other language suggestions were made and friendly amendments were made to the motion to allow the executive officers to finalize a statement of STPB position to the Task Force. Seconded by Scott Wiggins. Voice vote: 10 yes, 1 no (Joseph).

**Board Assessment Results** – This item was deferred to the November 28 meeting.

### **Announcements –**

- Fred Bonn reported he distributed his report by email, also that the familiarization tour for coach operators was very well supported.

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**Meeting Minutes – October 2012**

- Tom Knipe reminded members of the 11/2 Tourism Partner Award presentation and reception, 9:30 AM here at CVB.
- Fred reminded members of the 11/8 luncheon at Lake Watch Inn for presentation of the Howard Cogan Tourism Award to the Wiggins family.
- Susie Monagan asked about deadlines and the process for new member applications. Tom said deadline for submissions is 11/1, and the Legislature office has received four or five applications. He has also contacted former applicants. He pointed out STPB needs descriptions of the board's work and the various committees for new members.
- Ethan Ash announced the Cinemopolis fundraising for digitizing is now half way to goal.

With no further business, the meeting adjourned at 4:35pm.

Respectfully Submitted,  
Kathy Wilsea, Secretary  
Tompkins County Planning Department

Approved by STPB on \_\_\_\_\_, 2012

**Next Meeting Scheduled**

Wednesday, November 28 – 3pm

## Profile of business travelers to Tompkins County, with particular focus on hotel stays (addendum to October STPB Meeting Minutes)

Tom Knipe, October, 2012

Drawn from the Profile of Visitors to Tompkins County Report (2010), by Chmura Economics and Analytics. Full report available online:

<http://www.tompkins-co.org/tourism/docs/2010VisitorStudy/TompkinsCountyVisitorProfile.pdf>

### FINDINGS

1. **% of Total Visitors:** Of total visitors to Tompkins County, business-only travelers make up 15%. An additional 9% come for combined business and leisure. (Source: table 2.7, page 18)
2. **Higher Education drives business travel:** 81% of business-only travelers are connected with Cornell or IC, including attending conferences and touring with prospective students (Source: table 2.7, page 18)
3. **Hotel Stays:** Business travelers, as defined in the study, are more likely to stay overnight in hotels. Although business travelers represent just 15% of overall visits (or 24% combined leisure and business), they represent 27% of overnight stays in hotels (40% combined leisure and business). (Source: Table 2.7, page 18)
4. Of **business travelers who stay in hotels**, 83% of those are university-related and 17% of those are non-university related. Extrapolation from this leads to:
  - o 22.4% of visitors who stay in hotels are *university/college-related* business-only travelers, and
  - o 4.6% of visitors who stay in hotels are *general* business (only) travelers
  - o 60% of visitors who stay in hotels are leisure visitors.
  - o 13% of visitors who stay in hotels are both business and leisure visitors.(Source: Table 2.7, Page 18)
5. **Purpose of visit for university-related visitors:** 78% of university or college related visitors who stay in hotels are visiting family/friends (24%), touring with a prospective student (21%), attending a college event (21%), or dropping off/picking up students (12%); and 22% attended a conference/camp (6%) or were 'other' (16%). (Source: Table 2.9, page 20)
6. Table 2.9 isn't further separated by business or leisure, but again we know that 81% or university-related visitors were classified as "business" so one could assume with a fairly high degree of confidence that the college and university-related travelers who stay in hotels, who were also classified as business travelers, fit the profile above pretty closely.
7. **Return Visits:** Business Travelers are less likely to say that they will definitely (32%) or probably (23%) return in the next five years than leisure travelers (73% definitely, 14% probably).
8. **Daily Spend:** Business travelers may average higher per person per day spending (\$124.88) than leisure travelers (\$92.75). (Source: Section A.1.7)



**Ithaca/Tompkins County Convention & Visitors Bureau (CVB)**

**Report to:**

**Strategic Tourism Planning Board**

**November 28, 2012**

**Submitted by: Fred Bonn, Director**

**MARKET UPDATE:**

**Q3 Competitive Set** – Our Q3 report from Smith Travel that compares our market performance to that of Saratoga Springs, Canandaigua, State College, Charlottesville, and Asheville, shows that year to date our occupancy rate the 4<sup>th</sup> highest through September with our Average Daily Rate ranking second highest at \$139.49.

**September 2011 to 2012** – We saw a dramatic decrease in September in our year over year occupancy rate of 11.9%. The primary reason for this is that in 2011 we saw a significant amount of business from relief work related to Hurricane Irene.

**Task Force evaluating TCAD funding and Room Occupancy Tax** – I have been asked to make a presentation to this group at their Nov. 26 meeting. It will focus on how tourism impacts our local community and describe the work of the CVB and our ROI.

**MARKETING AND PROMOTION:**

**Howard Cogan Tourism Award** – On Nov. 8 we presented the Wiggins Family with the Third Howard Cogan Tourism Award. The luncheon, held at Lakewatch Inn, had 90 attendees and featured a presentation by Michael Welch, publisher of Edible Finger Lakes and the global release of “The Wiggins” – a custom cocktail developed by Felicia’s in honor of the event.

**I Love NY Tourism Regions and Regional Economic Development Councils** – I was part of a small meeting of tourism promotion agency representatives and staff from Empire State Development that included Harvey Cohen, Chief Marketing Officer for Empire State Development, and Megan Daly, Director of the Regional Economic Development Councils. We met to discuss how to work on a structure that would have the traditional regions for tourism interface with the Regional Economic Development Councils. In the case of Tompkins County we will still be allowed and will receive bonus funding for our work with the Finger Lakes Tourism Region. It will be expected however that we will look to include the strategic goals and objectives of the Southern Tier Regional Council into our county tourism program.

**Pathways Through History** – I am part of a work group developing a marketing plan for the Southern Tier Regional Econ. Council on how to market and promote historic sites in the 10 county region. The Governor has proposed funding a reimbursable grant program of \$100,000 for each of the 10 regional councils.

**2013 Marketing Plan** – My staff and I are in the final stages of finishing our 2013 Marketing plan which I would like to share with the Board at their Dec. or January meeting.

**Facebook** – We are so darn close to breaking the 11,000 “like” mark and some of our engagement rates are earning viral rates of 7% or better attaining an audience reach of 2,500 or more.

**Workshop for Book It Direct** – We will be holding a workshop for hotels and bed and breakfasts on a new module that will be going live on the VisitIthaca.com website beginning on Dec. 1. Using a widget from Book It Direct, users of the

VisitIthaca.com website will now be able to actually book their stay on our site. There is no fee to the consumer and no commission paid by the property. Our hope is that this service will help our smaller properties be more competitive in the online world while helping our larger properties avoid having to provide discounts to OTAs such as Priceline and Expedia.

**Toronto & Ottawa Women's Shows Reviewed** – We attended these two shows in the last month to promote travel to Ithaca and Tompkins county. Between the two shows we obtained over 550 email address from individuals who agreed to sign up for our email list. Based on our conversion study and the Chmura Study these shows could generate over \$121,000 of economic activity.

#### **Meetings / Conferences, Tour Groups and Athletic Events:**

**Ontario Motor Coach Association** – Mary Rachun returned from this tradeshow after having 26 scheduled appointments with bus tour companies in Canada.

**New York State Girls State Swimming Championship** – The weekend of Nov. 16-17, Ithaca College's A&E center will host the New York State Public High School Athletic Association's 2012 State Championship swim meet. There have been some logistical and communication challenges due to Hurricane Sandy and school schedules but we expect this, the first of a two year commitment for the event, to be very successful.

## Smith Travel Report for Tompkins County – August, 2012

| Occupancy (%)  | 2012  |
|----------------|-------|
|                | Sep   |
| This Year      | 65.9  |
| Last Year      | 74.9  |
| Percent Change | -11.9 |

| Year To Date |      |      |
|--------------|------|------|
| 2010         | 2011 | 2012 |
| 62.9         | 63.8 | 63.3 |
| 58.2         | 62.9 | 63.8 |
| 8.0          | 1.4  | -0.8 |

| Demand         | 2012   |
|----------------|--------|
|                | Sep    |
| This Year      | 30,620 |
| Last Year      | 34,700 |
| Percent Change | -11.8  |

| Year To Date |         |         |
|--------------|---------|---------|
| 2010         | 2011    | 2012    |
| 265,081      | 268,919 | 267,169 |
| 245,517      | 265,081 | 268,919 |
| 8.0          | 1.4     | -0.7    |

| ADR            | 2012   |
|----------------|--------|
|                | Sep    |
| This Year      | 144.76 |
| Last Year      | 136.88 |
| Percent Change | 5.8    |

| Year To Date |        |        |
|--------------|--------|--------|
| 2010         | 2011   | 2012   |
| 124.84       | 133.99 | 139.49 |
| 125.20       | 124.84 | 133.99 |
| -0.3         | 7.3    | 4.1    |

| Revenue        | 2012      |
|----------------|-----------|
|                | Sep       |
| This Year      | 4,432,419 |
| Last Year      | 4,749,901 |
| Percent Change | -6.7      |

| Year To Date |            |            |
|--------------|------------|------------|
| 2010         | 2011       | 2012       |
| 33,092,952   | 36,031,682 | 37,267,130 |
| 30,739,896   | 33,092,952 | 36,031,682 |
| 7.7          | 8.9        | 3.4        |

## Ithaca / Tompkins County CVB Dashboard – Sept. 2012

### Visitor Information Services – Sept. 2012

Requests for information Oct: 1216, up 59%  
YTD Requests through Oct: 30671, up 36%

Visitor Center Traffic - Oct. 2012:

- East Shore Drive: 1078 (-7% over 2011)
- DVC: 437 (-36% over 2011)
- DT Kiosk: 354

### VisitIthaca.com Stats - Oct. 2012 & YTD Oct. 2012

- Please note that actual performance for 2012 does not include traffic to mobile version of VisitIthaca.com so the actual change is even more positive for Oct. and YTD. Because we started tracking traffic to mobile version of our website mid Sept. 2011, an exact comparison is not possible.

| October              | 2012 Desktop | 2011 Desktop | Change  | 2012 Mobile | 2011 Mobile | Change  |
|----------------------|--------------|--------------|---------|-------------|-------------|---------|
| Unique Visits        | 23,489       | 22,348       | 5.11%   | 2578        | 1568        | 64.31%  |
| Pageviews            | 101,767      | 108,942      | -6.59%  | 17997       | 10840       | 66.02%  |
| Pages/Visit          | 3.46         | 3.77         | -8.10%  | 5.77        | 5.66        | 1.88%   |
| Avg. time on Site    | 3:11         | 3:35         | -11.36% | 2:36        | 3:00        | -13.28% |
| <b>YTD Oct. 2012</b> |              |              |         |             |             |         |
| Unique Visits        | 236,757      | 233,964      | 1.19    |             |             |         |
| Pageviews            | 1,134,845    | 1,226,009    | -7.44   |             |             |         |
| Pages/Visit          | 3.51         | 3.84         | -8.53   |             |             |         |
| Avg. time on Site    | 3:55         | 3:45         | 4.01    |             |             |         |

### Facebook – as of 11/9/12

- Lifetime “Likes” – 10,952

### Group Sales Activity – October, 2012

|                              |    |
|------------------------------|----|
| Leads Distributed            | 2  |
| Prospects Generated          | 26 |
| Sales Kits Distributed       | 4  |
| Prospects converted to Leads | 6  |
| Groups Assisted/Service      | 6  |
| Site Visits Conducted        | 4  |

**Lead Status Report – October 2012**

| Lead sent date | Event account                                 | Event status             | Event start date | Event end date | Total Requested Room Nights | Multiplier | Economic Impact | Source              |
|----------------|---|--------------------------|------------------|----------------|-----------------------------|------------|-----------------|---------------------|
| 1/27/2012      | NYSPHSSA Girls Swimming/Diving Championships  | Booked                   | 11/15/2012       | 11/16/2012     | 300                         | 250        | \$75,000        | Ithaca College      |
| 9/24/2012      | Princeton University Athletics                | Booked                   | 2/22/2013        | 2/23/2013      | 15                          | 250        | \$3,750         | Repeat Business     |
| 3/21/2012      | Fulton County YMCA Flying Fish                | Booked                   | 3/15/2013        | 3/17/2013      | 65                          | 260        | \$16,900        | IC Referral         |
| 3/23/2012      | Saratoga Springs YMCA                         | Booked                   | 3/15/2013        | 3/17/2013      | 120                         | 260        | \$31,200        | IC Referral         |
| 8/3/2012       | Fry Wedding                                   | Booked                   | 5/9/2013         | 5/11/2013      | 60                          | 353        | \$21,180        | Call-in             |
| 6/6/2012       | Liu/Jacob Wedding                             | Booked                   | 5/17/2013        | 5/18/2013      | 20                          | 353        | \$7,060         | Call-in             |
| 4/17/2012      | Butterbaugh Wedding                           | Booked                   | 6/15/2013        | 6/15/2013      | 40                          | 353        | \$14,120        | Call-in             |
| 9/12/2012      | Rally New England                             | Booked                   | 7/22/2013        | 7/23/2013      | 80                          | 260        | \$20,800        | Call-in             |
| 2/6/2012       | NYSPHSSA Girls Swimming/Diving Championships  | Booked                   | 11/21/2013       | 11/22/2013     | 300                         | 250        | \$75,000        | Ithaca College      |
| 4/20/2012      | Engineering Dept. Forum                       | Booked                   | 6/15/2014        | 6/18/2014      | 67                          | 260        | \$17,420        | CU Referral         |
| 8/3/2012       | Collegiate State Track Meet                   | Definite                 | 2/21/2013        | 2/22/2013      | 800                         | 260        | \$208,000       | IC Referral         |
| 3/20/2012      | 2013 YMCA Swimming Championships              | Definite                 | 3/15/2013        | 3/17/2013      | 500                         | 260        | \$130,000       | IC Referral         |
| 7/23/2012      | D'Amato Wedding                               | Definite                 | 5/17/2013        | 5/18/2013      | 80                          | 353        | \$28,240        | Call-in             |
| 8/3/2012       | Ohio Motor Coach Mystery Tour                 | Awaiting Client Response | 6/17/2013        | 6/20/2013      | 200                         | 353        | \$70,600        | CVB Generated       |
| 10/16/2012     | TT Tours                                      | Awaiting Client Response | 9/13/2013        | 9/14/2013      | 60                          | 238        | \$14,280        | CVB Generated       |
| 10/10/2012     | Lane Wedding Room Block                       | Awaiting Client Response | 10/4/2013        | 10/5/2013      | 30                          | 353        | \$10,590        | Call-in             |
| 7/26/2012      | NYS Snowmobile Assoc.                         | Awaiting Client Response | 4/24/2014        | 4/26/2014      | 1400                        | 260        | \$364,000       | NewYorkMeetings.com |
| 10/10/2012     | Cayuga Bird Club Conference                   | Awaiting Client Response | 9/19/2014        | 9/20/2014      | 150                         | 260        | \$39,000        | CVB Generated       |
| 11/7/2012      | Hashomer Hatzair                              | Lead                     | 11/30/2012       | 12/2/2012      | 105                         | 20         | \$27,300        | Call-in             |
| 6/11/2012      | NACUFS Fall Meeting                           | Lost                     | 11/19/2012       | 11/20/2012     | 100                         | 260        | \$26,000        | ESSAE               |
| 6/28/2012      | NCAA Wrestling Regional Meet                  | Lost                     | 2/28/2013        | 3/2/2013       | 600                         | 260        | \$156,000       | IC Referral         |
| 9/4/2012       | Masterson-Robinson IC Reunion                 | Postponed                | 8/23/2013        | 8/24/2013      | 50                          | 353        | \$17,650        | Call-in             |
| 9/24/2012      | Eastern Zone Age Group Swimming Championships | Cancelled                | 8/6/2013         | 8/10/2013      | 5000                        | 250        | \$1,250,000     | IC Referral         |



11-9-12

Written by - Gay Huddle

The recipient of this year's Howard Cogan Tourism Award is the Wiggins family, from La Tourelle, John Thomas Steakhouse, August Moon Spa and Simply Red Bistro on Danby Road.

This is the third year of the award, which is given by the Tompkins County Chamber of Commerce to those who have had great vision for this area's tourism industry and who have, besides managing successful businesses, contributed numerous volunteer hours to make sure tourism remains strong and vibrant in Tompkins County.

Howard Cogan, who died in 2008, is the man who coined the phrase "Ithaca is Gorges" while running a business with his wife, Helen. He also taught advertising and public relations classes at both Cornell University and Ithaca College. Helen Cogan will be in attendance at Thursday's award ceremony to be held at Lakewatch. Local businessman and bestselling author Michael Turback will be a guest speaker, presenting his observations on the ongoing and very popular "farm to table" movement in our community.

Congratulations to the Wiggins family!



### **La Tourelle Honored with Cogan Tourism Award**

For their positive impact on the tourism industry in the Finger Lakes, the Tompkins County Convention and Visitors Bureau has honored the Wiggins family, owners of LaTourelle Resort and August Moon Spa, with the Howard Cogan Tourism Award.

The award recognizes individuals who have made remarkable contributions to local tourism according to Director of the Bureau Fred Bonn.

Bonn says the Wiggins' are always looking for ways to partner with local theatres, festivals and wineries in the region to further enrich a guest's stay.

The award was named for the late Howard Cogan, the man who coined the phrase "Ithaca is Gorges".

Cogan left his mark by declining trademark rights to the popular slogan, encouraging its free use in promoting the area.

# **Proposal to Use Room Occupancy Tax to Fund Non Tourism Programs**

## **A Tourism Partner's Response**

**Authored and Endorsed by the Following Organizations:**

**Tompkins County Strategic Tourism Planning Board  
Greater Ithaca Innkeepers Association  
Greater Ithaca Bed & Breakfast Association  
Community Arts Partnership on behalf of the Arts and Cultural  
Community**

**November 20, 2012**

## **The Current Situation**

A special task force is considering a proposal to allocate funding from the Tompkins County Room Occupancy Tax to support the program and operations of Tompkins County Area Development. This document does not question the value of TCAD's work. Rather, we applaud and share their mission of "building a thriving and sustainable economy that improves the quality of life in Tompkins County by fostering the growth of business and employment."

This document does serve to elucidate a context and history of Tompkins County's Room Occupancy Tax and of the local tourism economy. Through this document we strive to demonstrate how the \$166 million of associated economic activity related to tourism spending in 2011 generated \$11.7 million in local taxes and provided a tax relief benefit of \$516 per household and how in 2011 3,375 individuals were employed directly or indirectly by tourism. We also illustrate how this industry, made up of small business, arts and cultural organizations, has, despite a national recession, managed to show strong growth, attract significant investment, create new jobs and brings millions of "fresh" dollars to our economy. Finally, we wish to make clear why we are at a critical moment with respect to resources allocated from the Tompkins County Room Occupancy Tax Program.

## **History of the Room Tax and Intent of the Law**

In 1986, local innkeepers proposed a tax to produce revenue for destination marketing. Appropriate legislation, the Tompkins County's Occupancy Tax, was written and passed. The law levied a 3-percent room tax and insured that generated funds be used solely for destination marketing.

Between May 2002 and June of 2003, after much thought and careful planning, legislators implemented a 2-percent room-tax increase to allow for product development initiatives to enhance visitors' experiences and to enrich residents' quality of life. These uses include

- Beautification;
- Arts and Cultural Organization Stabilization;
- Capital Grants funding for Museums, Theaters, and other Not-for-Profits;
- Grants for Events and Festivals that bring visitors to Tompkins County; and
- Workforce Development in the County's Tourism Industry.

It should be noted that, at this time, the county's administrative fee to the program was increased from 5 percent to the current 10 percent, the maximum allowable under the current law.

Currently there are 20 registered hotels/motels and 53 registered B&B's/Inns in Tompkins County collectively generating approximately \$2 million annually of room occupancy tax. The county retains 10 percent of collected revenue as an administrative fee and approximately \$75,000 to fund and staff management of the program. Sixty percent of the remaining balance is allocated to marketing, advertising, public relations, and visitor service programs; 40 percent is designated for tourism product development.

## Growth

According to 2011 estimates, travel and tourism directly accounted for \$166 million of economic activity in Tompkins County. The annual study by Tourism Economics, details how our tourism economy achieved strong, dynamic growth during a period of recession, with our annual “Traveler Spend” increasing by \$41.6 million between 2005 and 2011. In addition to the sheer volume and growth of tourism there are two additional key benefits.

Tourism activity brings new dollars—dollars earned outside Tompkins County but spent in support of local businesses—to our community. These outside dollars increase the local sales tax base. In 2011 the \$166 million of tourism activity generated \$11.7 million in local taxes.

In addition, almost all of the Tourism Grant Programs Tompkins County currently offers require a significant match. In some cases it’s 1:1 and in others it is as high as 3:1. Thus, these tourism grant programs are effective levers that generate broader economic activity.

Our strong tourism economy resulted in a boom of activity in recent years. Additional hotels added to our room inventory, captured sales tax, and added to our property tax base. Each added much-needed jobs to the local economy. All donate generously to local causes, and each has become a valuable corporate citizen.

|  | Assessed value | County Property Tax 2012 | County Sales Tax (2%) on room sales |
|--|----------------|--------------------------|-------------------------------------|
| Hampton Inn                              | 4,500,000      | 30,015                   | 40,561                              |
| Hilton Garden                            | 26,500,000     | IDA project              | 63,915                              |
| LaTourelle (+ asses. value w/ expansion) | 3,284,001      | 14,679                   | 33,186                              |
| Homewood Suites                          | 7,600,000      | 50,692                   | 55,925                              |
| Country Inn & Suites                     | 4,600,000      | 20,562                   | 35,645                              |
|  |                | <b>\$ 115,948</b>        | <b>\$ 193,587</b>                   |

Our tourism market has matured in other directions as well. Expansions and renovations of the Hangar and Kitchen theatres, Museum of the Earth, State Theater restoration, Cornell Plantations, Ithaca College’s Athletic and Events Center, Ithaca Beer, Finger Lakes International Dragon Boat Festival, Finger Lakes Wine Center, Cayuga Lake Triathlon, countless new festivals on the Ithaca Commons, and dozens of new restaurants: All have launched based on the strength of our local tourism economy. More important, they provide the reason for travelers to return to Ithaca and Tompkins County again and again. The Chmura Study revealed 81percent of travelers would “probably” or “definitely” plan a return visit in the next 5 years and 88 percent of travelers were “very satisfied” with their experience.

It is important to recognize that Tompkins County beat the norm during this growth period. Typically, when growth occurs, older or independent hotels close; that did not happen here. Through strong sales and marketing efforts our community maintained its entire inventory while adding the hotels mentioned plus several dozen new bed and breakfasts and tourism-related product expansions. Strategic planning, quality marketing, and competitive cooperation enabled our community to position itself as a place to invest in.

## The Strategic Plan

In September 2012, following two years of thoughtful dialogue with all stakeholders, the county unanimously accepted a 2020 Strategic Tourism Plan for Tompkins County. This plan is a road map for the allocation of room-tax funds for the next eight years, and nowhere in it is there an objective, goal, or critical action to support programs not directly tied to tourism marketing and product development.

## Theatres, Museums, Festivals, TC3, and Others Will Lose Funding

In its current configuration, the Tourism Program provides crucial support to the major institutions that make up Tompkins County's arts and culture community. Investment in this sector drives continued growth of the tax base, encouraging extended stays (room tax), additional associated spending (sales tax), and conversion of visitors into future residents (property tax). In every room tax scenario being proposed, this vital sector loses funding.

The newly released Arts & Economic Prosperity IV study completed by Americans for the Arts and conducted locally by the Community Arts Partnership indicates that the non-profit arts organizations in Tompkins County comprise a valuable sector and provide a significant return on the investment of room tax dollars. The study shows the non-profit arts industry generates \$20.7 million in annual economic activity in Tompkins County-- supporting 789 full-time equivalent jobs and generating \$2.4 million in local and state government revenues.

The Chmura study indicates that arts and culture play a significant role in the growth of leisure travel and destination tourism. Roughly one third of all visitors listed arts, music, theatre or the Discovery Trail and museums as an important motivator for their stay in Tompkins County.

## Marketing! Marketing! Marketing!

Destination marketing is the important player here. It fills hotel rooms, restaurants, and theater seats. It attracts weddings, conferences, and international and domestic vacationers. Destination marketing allows tourism businesses to maintain rate integrity, which in turn allows them to expand, renovate, provide jobs and benefits, and help hold the line on school and property taxes. **Protection of destination marketing funds and programs is critical.** This is why the local industry originally sought to have a self-imposed tax and why the historic intent and vision of the room-tax program to Ithaca and Tompkins County is generating such a positive return on investment for businesses and residents.

Destination marketing also provides public relations benefits to all sectors of the county's business and educational institutions. The more Ithaca is on the map, the easier it is to recruit students, faculty, employees, retirees, and entrepreneurs.

## Business Travel in Tompkins County

There seems to be a perception that Tompkins County benefits from a 27 percent business traveler mix, which, therefore, justifies a room-tax investment in TCAD to help generate more business travelers. This number is extrapolated from several numbers in the Chmura Study.

The Chmura Report concludes that 27 percent of visitors staying in hotels and similar accommodations are business travelers. The report also states that 83 percent of these business

travelers are connected with the university or college, including those attending conferences and touring with prospective students. The vast majority of business travelers as identified by Chmura, are attending Cornell or IC conferences, workshops, seminars and are parents visiting with prospective students. These are not business travelers that TCAD has had any influence in attracting.

According to US Travel, the “Business Travel segment includes travel for internal meetings, tradeshows, conferences, incentive programs and sales.” Business travel in Tompkins County is 5 – 12 percent of total visitors, depending on the type of accommodation. No hotel in Ithaca enjoys anything close to a 27 percent business traveler mix. As it stands hotels in Tompkins County experience deep occupancy dips Sunday through Thursday with peak occupancy occurring during weekends and the summer travel season, a result of leisure travel and campus related events.

**Tourism: A Robust Economic Development Program**

A carefully thought out and managed tourism economic development program results in healthy growth in room numbers, jobs, and tax revenues. These are jobs that county residents need, particularly those from our more rural communities. These are home-grown jobs that support Tompkins County families and communities. We currently enjoy a robust economic development program that has demonstrated great success and is poised to grow significantly in the next decade, generating significant property tax and direct and indirect sales tax. Projects currently on the drawing boards attest to future successes:

**Estimated Annual County Property and Sales Tax Collections**

|  | Assessed value | County Rate | County Property Tax estm. (2012 rate) | County Sales Tax (2%) on room sales/F&B |
|--|----------------|-------------|---------------------------------------|---|
| Fairfield                                      | 6,500,000      | 6.67        | 43,355                                | 65,144                                  |
| Marriott                                       | 21,000,000     | 6.67        | 140,070                               | 97,716                                  |
| property TBD                                   | 12,000,000     | 6.67        | 80,040                                | 61,456                                  |
| Holiday Inn (+ 12 rooms, + function space f&b) | unknown        | n/a         | n/a                                   | 37,375                                  |
|  |                |             | <b>\$ 263,465</b>                     | <b>\$ 261,690</b>                       |

Additional tourism assets also in the works include:

- Ithaca Motion Picture Project
- Ithaca Commons redesign and revitalization
- Stewart Park revitalization
- Black Diamond Trail

**Now Is Not the time**

Clearly, Ithaca and Tompkins County are poised for another cycle of strong growth in the next 5 to 6 years, and doubtlessly more associated projects will follow. Equipped with the recently adopted Strategic Plan that details Critical Actions that are necessary for our “Established”, “Emerging” and “Foundation” tourism focus areas, the program is poised take full advantage of the growth cycle on the horizon. Emphasis on the following elements will continue to deliver on the

industry's promise to enhance the experience of the visitor while enhancing the quality of life in Tompkins County.

**Established Tourism Types**

- Agricultural and Culinary
- Arts, Culture and Heritage
- Downtown Ithaca
- Educational Tourism
- Lakes, Trails, parks and Gorges

**Emerging Tourism Types**

- Sports Tourism
- Sustainability Tourism

**Tourism Foundation**

- Beautification, Signage and Public Art
- Festivals
- Group Travel
- Marketing and Advertising
- Town Gown
- Transportation
- Visitor Services
- Under tapped Niche Markets

**If Tompkins County residents are to continue realizing the financial and quality of life benefits of a vibrant tourism economy, now is not the time to change the funding structure of the tourism program or the local law that enabled it in a significant and unprecedented way.**

When a new product line is introduced or expanded, consumer marketing and advertising require that more resources be available to let the world know about its new features, options, and benefits. That is also true for travel and tourism. It's a highly competitive, global marketplace in which thousands of communities, states, and countries compete for what has become, in this recession, a smaller pool of discretionary spend. The success of our local tourism economy is the result of two decades of hard work. Despite significant cutbacks in funding from New York State, lagging consumer confidence, and a global recession, our market performance and the return on investment generated run well ahead of the state or national average.

The tourism industry of Ithaca and Tompkins County is prepared to position these emerging assets in a way that will generate more property tax, more sales tax, more travel related spend in the small businesses that populate our county. Estimates are that these hotel projects alone, if successfully completed, and if no properties close as a result, will annually add \$263,465 in property taxes and \$261,690 in sales tax collected by Tompkins County.

**Summary**

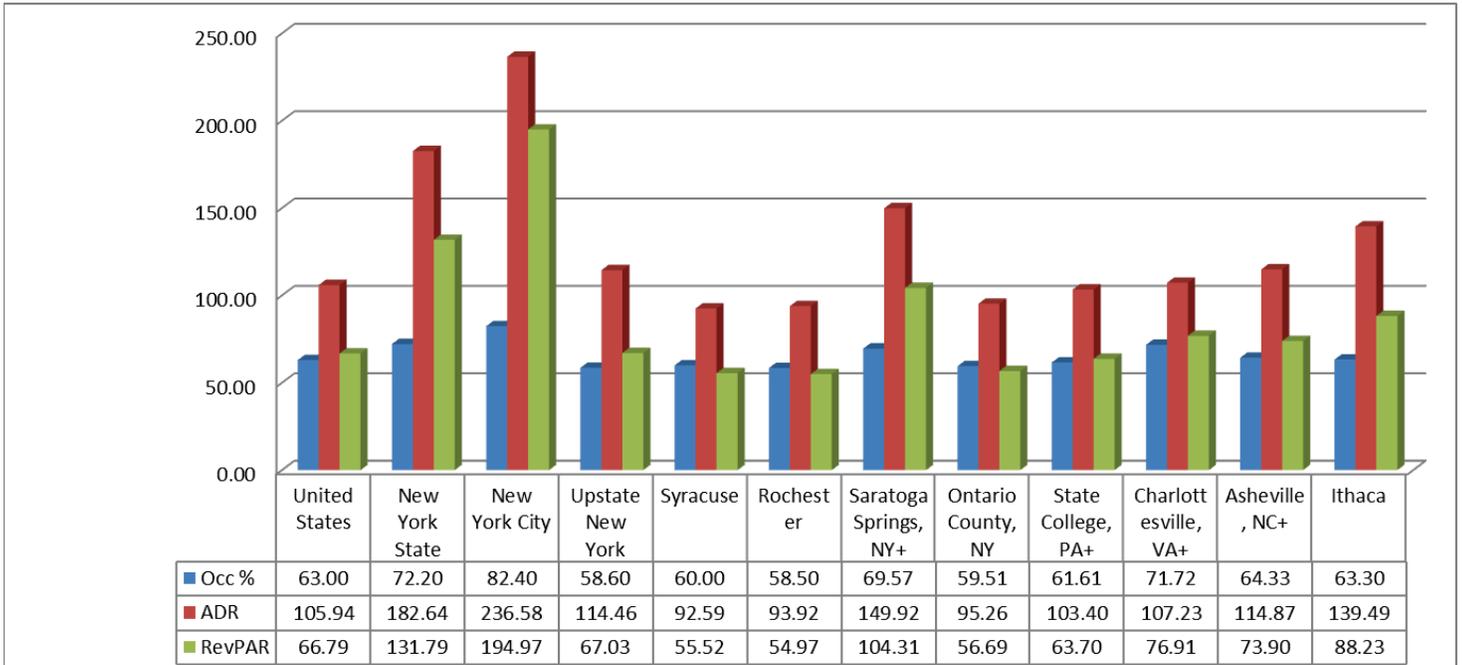
We applaud the work that TCAD does for our county, and acknowledge their need for new funding. We do not see a connection between TCAD and the tourism industry or the room tax program, other than the Capital Grants program that TCAD manages and receives compensation for. The 2020 Strategic Plan clearly outlines the county's vision for its tourism economic development program, and funding for current programming and new initiatives are critical to their success. With another wave of room inventory growth upon us and with several community organizations looking to develop projects that will enhance our tourism product offerings, funding for destination marketing is critical. We do not support using room tax funds for non-tourism related purposes, and are opposed to any change in the enabling legislation.

This document is submitted collectively by the following organizations:

- Greater Ithaca Innkeepers Association
- Greater Ithaca Bed and Breakfast Association
- Tompkins County's Arts and Cultural Organizations
- The Tompkins County Strategic Tourism Planning Board

## Smith Travel - September 2012 Year to Date report on:

- Room Occupancy
- Average Daily Rate (ADR)
- Revenue Per Available Room (RevPAR)



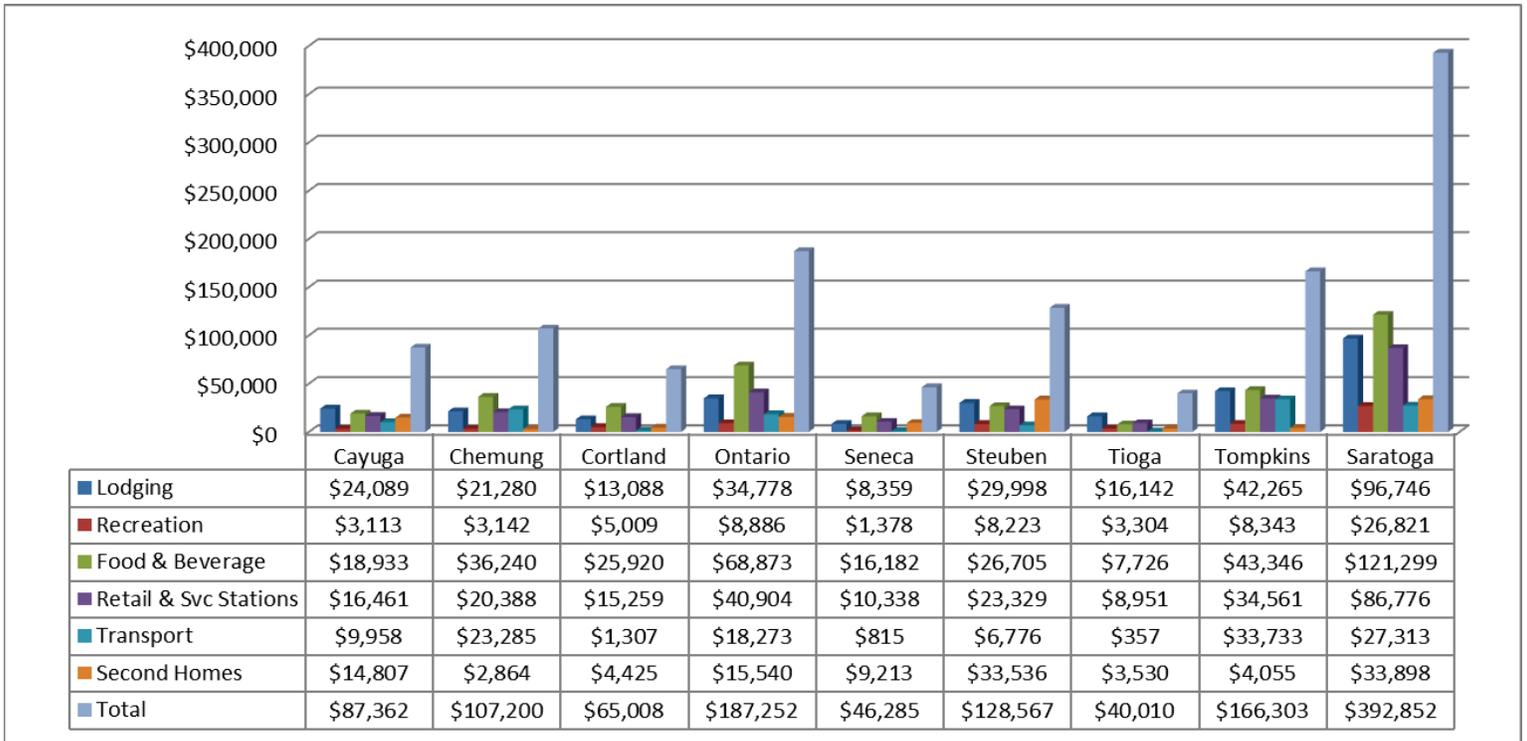
Source: Smith Travel Research

## Tompkins County Tourism Economy 2007 - 2011

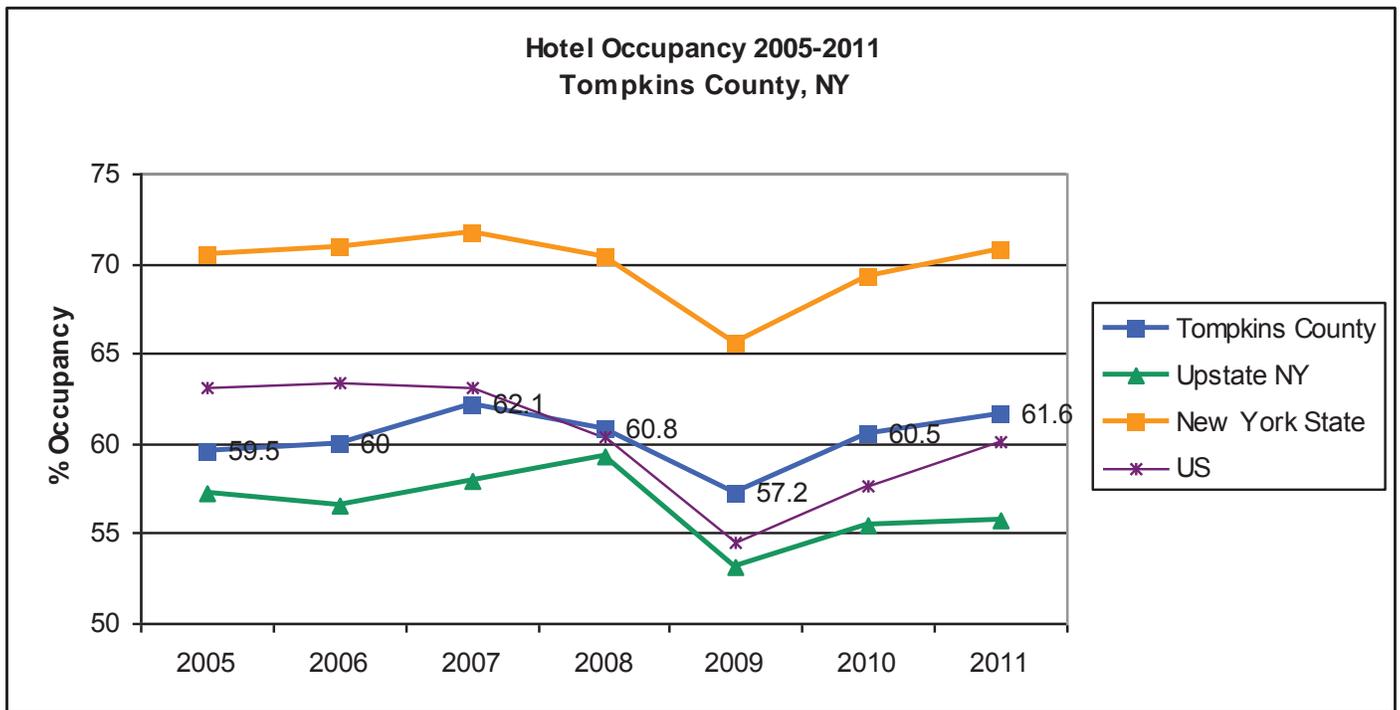
| Tompkins County Tourism Impact | Traveler Spend '000 | Labor Income, '000 | Employment | Local Taxes '000 | State Taxes '000 |
|--------------------------------|---------------------|--------------------|------------|------------------|------------------|
| 2011                           | \$166,303           | \$87,609           | 3,431      | \$11,747         | \$10,134         |
| 2010                           | \$157,230           | \$86,066           | 3,375      | \$11,182         | \$9,748          |
| 2009                           | \$150,843           | \$82,863           | 3,291      | \$10,833         | \$9,810          |
| 2008                           | \$170,256           | \$88,331           | 3,423      | \$11,925         | \$10,604         |
| 2007                           | \$160,933           | \$84,333           | 3,347      | \$11,368         | \$10,078         |

Source: Tourism Economics

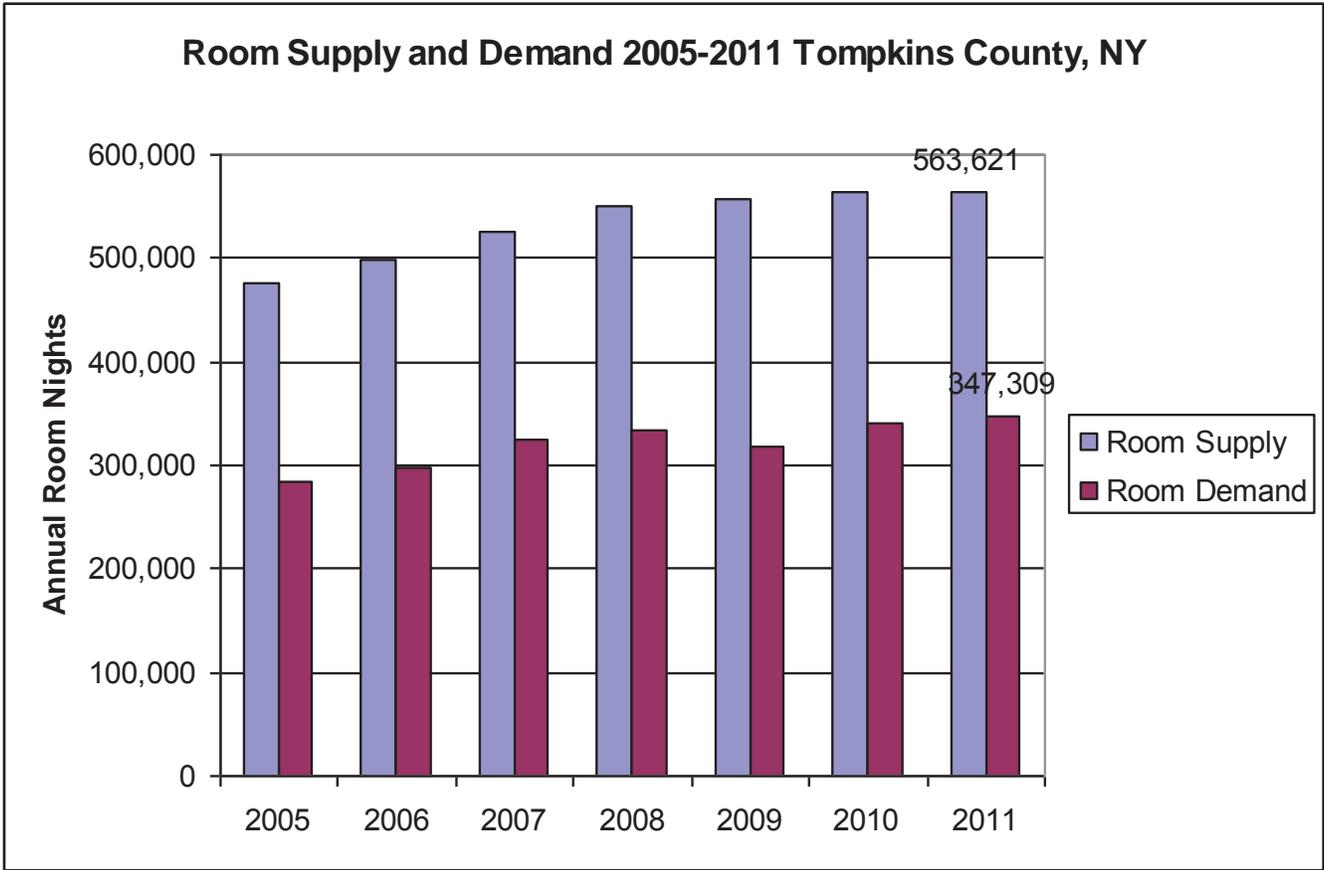
## 2011 Comparative Tourism Economies ('000)



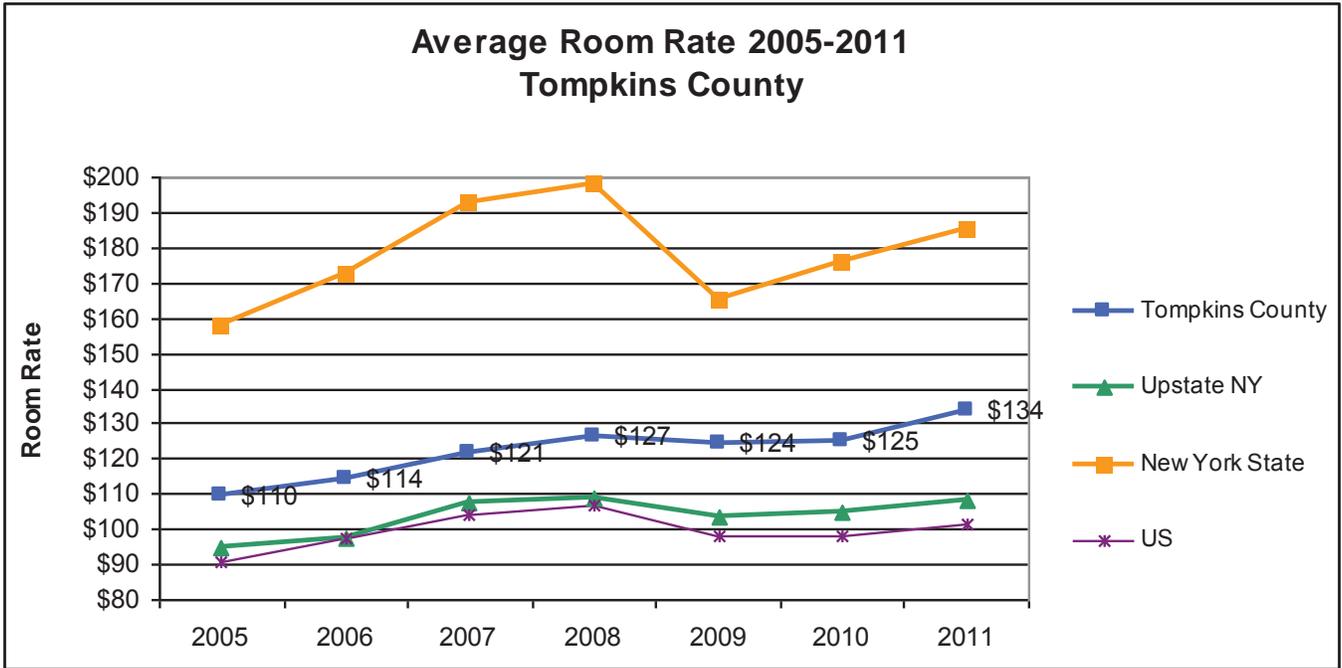
Source: Tourism Economics, 2011



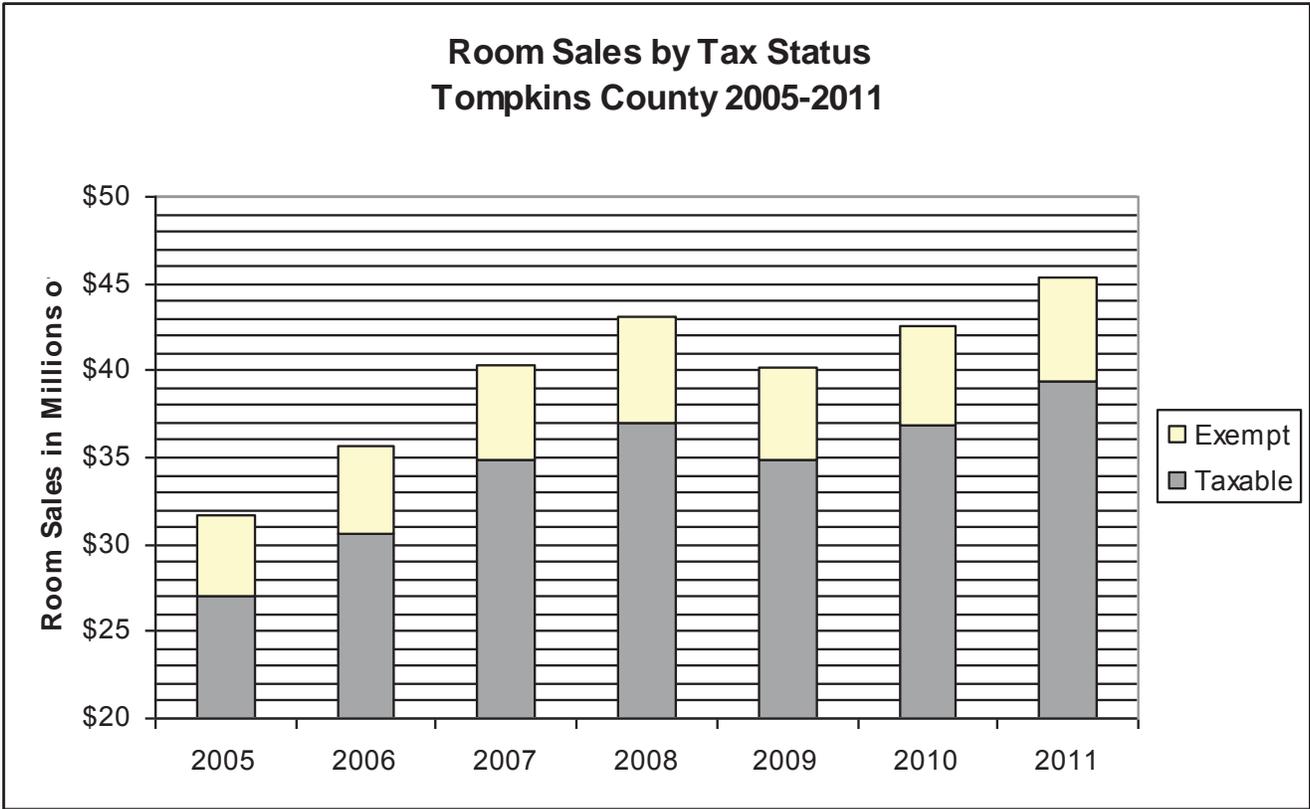
Source: Smith Travel Research



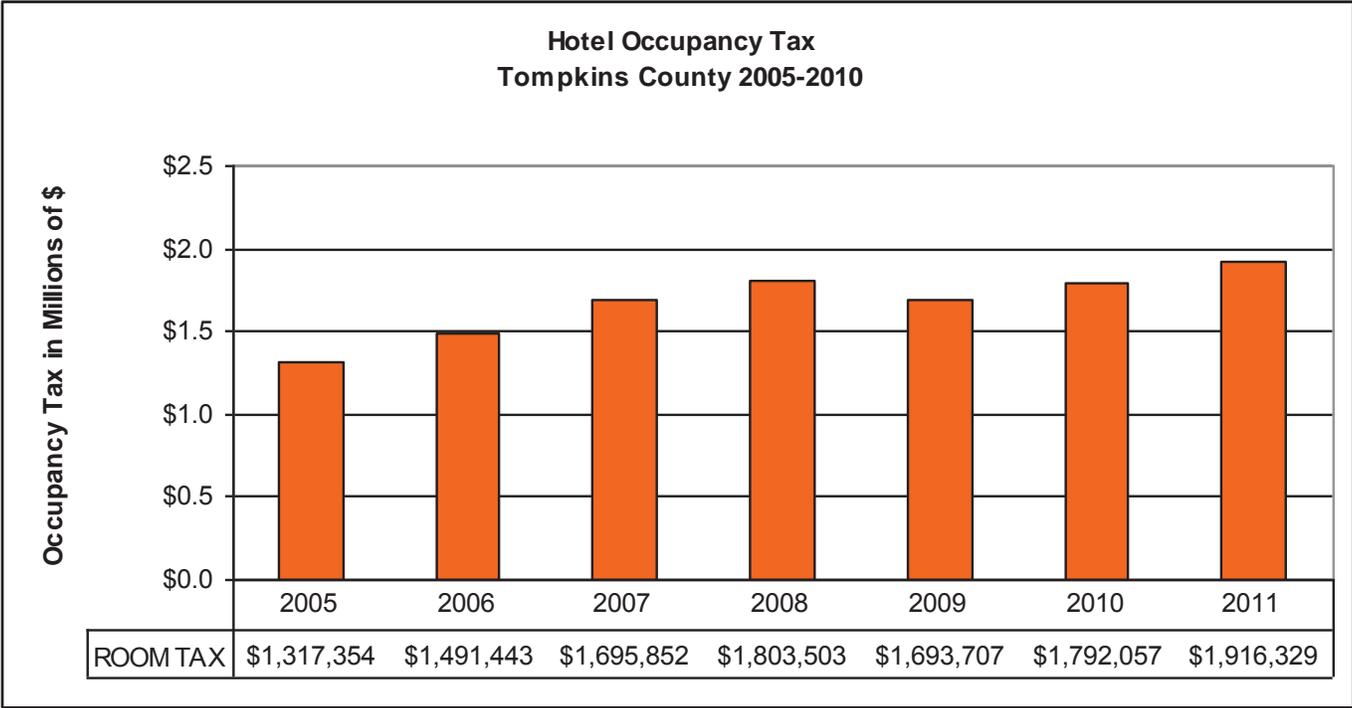
Source: Smith Travel Research



Source: Smith Travel Research



Source: Tompkins County Department of Finance. Non-profit and government related room sales are tax exempt, along with permanent residents staying longer than 30 days. Sales at establishments with fewer than 11 rooms are charged a 3% room tax instead of 5%.



Source: Tompkins County Department of Finance

## 2012 New At-Large Applicants - Strategic Tourism Planning Board

| <b>First</b>  | <b>Last</b>  | <b>Employer</b>                     | <b>Other Affiliations</b>  |
|---------------|--------------|-------------------------------------|--|
| Scott         | Callan       | The History Center                  | Discovery Trail, Association of Fundraising Professionals                |
| Rob           | de la Fuente | Ithaca College Annual Fund          | Cornell, Johnson Museum, Kitchen Theatre, SPCA                           |
| David         | Dier         | William Henry Miller Inn            | State Theatre  |
| Joseph        | Gaylord      | American Crafts by Robbie Dein      | DIA, Commons, CSMA   |
| Anne          | Gossen       | Museum Consultant                   |  |
| Stephen       | Hugo         | HOLT Architects                     | DIA  |
| Angela        | LaPadula     | Lowes                               | Women Build, IC Alumni Network   |
| Kelly         | Makosch      | Finger Lakes Land Trust             | Big Brothers, Big Sisters, Family Reading Part., SPCA                    |
| Michael       | Mellor       | Suntorn Ventures, Hotel Development |  |
| Matthew       | Montague     | Clarity Corporate Growth            | FLTA, Lansing Library  |
| Miriam        | Musco        | Sciencenter                         | Friends of Ithaca Youth Bureau, Theta Nu Xi                              |
| Stephen       | Nunley       | Kitchen Theatre                     | Rotary, Ithaca Gay Men's Chorus, DIA                                     |
| William Bryan | Olson        | Bandwagon Brewpub                   |  |
| Robert        | Proehl       | Buffalo Street Books                |  |
| Karen         | Rodriguez    |                                     | Fall Creek PTA   |
| Monika        | Roth         | CCETC                               | North America and NYS Farmers Direct Marketing Assocs/                   |
| Sally         | Taylor       | GE                                  | Ithaca Ballet  |
| Robert        | Thomas       | Taughannock Aviation                |  |
| Baruch        | Whitehead    | Ithaca College School of Music      | GIAC, Dorothy Cotton Jubilee Singers, IC High School Gospel Festival     |
| Jaime         | Wolffe       | Hangar Theatre                      | IPEI, Mira's Movement, IYC, West End-Waterfront, Cinemopolis, IYHA, IMPP |