

Tompkins County Strategic Tourism Planning Board

Wednesday, July 17, 2019; 3:00pm – 5:00 pm

Tompkins County Chamber of Commerce/CVB, 904 East Shore Drive, Ithaca, NY

AGENDA	Start
1. STPB Meeting Minutes	3:00
• ACTION – Approve June Meeting Minutes	
2. Privilege of the Floor	
• Limit of 3 minutes per person for members of the public to address the board	
3. Chair’s Report – Kelli Cartmill	3:05
4. Staff Report & Q2 Room Tax Report– Nick Helmholdt	3:10
5. CVB Mid-year Report – Peggy Coleman	3:20
6. Budget Committee Report – Scott Wiggins	3:45
• ACTION – Adopt Recommended 2020 Tourism Program Budget	
7. Member Announcements	4:10
8. Strategic Tourism Plan – Focus Area breakout meetings	4:15
9. Adjournment	5:00

Agenda Packet

1. June 2019 Draft STPB Meeting Minutes
2. Q2 2019 Room Tax Report
3. Proposed 2020 Tourism Program Budget
4. CVB Mid-year report (to be distributed at meeting)



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) Draft Meeting Minutes

1 **Date:** June 19, 2019
 2 **Time:** 3:00-4:30pm
 3 **Location:** Tompkins Co. CVB/Chamber of Commerce, 904 E. Shore Drive, Ithaca NY
 4

5 **Attendees:**

Name	✓	Representation
Brett Bossard	A	Arts-Culture
Kelli Cartmill	P	Lodging
Laura Winter Falk	E	At-Large
Josh Friedman	A	Arts-Culture
Ken Jupiter	P	At-Large
Connie Kan	P	At-Large
Katie Kutz	A	At-Large
Doug Levine	P	Arts-Culture
Rick Manning	P	At-Large
Mike Mellor	P	At-Large
Cara Nichols	P	Ithaca College
Todd Parlato	P	At-Large
Barbara Romano	P	Cornell University
Monika Roth	P	Agriculture
Sue Stafford	P	TC3
Baruch Whitehead	P	Arts-Culture
Scott Wiggins	P	At-Large
Andy Zepp	P	Recreation
<i>Martha Armstrong</i>	<i>P</i>	<i>TCAD, Non-Voting</i>
<i>Peggy Coleman</i>	<i>P</i>	<i>Chamber, Non-Voting 7</i>

Name	✓	Representation
<i>Gary Ferguson</i>	<i>E</i>	<i>DIA, Non-Voting</i>
<i>Anna Kelles</i>	<i>P</i>	<i>TC Legislature, Non-Voting</i>
<i>John Spence</i>	<i>P</i>	<i>CAP, Non-Voting</i>
<i>Jennifer Tavares</i>	<i>P</i>	<i>Chamber, Non-Voting</i>
<i>Matthew Yarrow</i>	<i>P</i>	<i>Transportation, Non-Voting</i>
<i>Ethan Ash</i>	<i>A</i>	<i>Associate Member</i>
<i>Jim Brophy</i>	<i>A</i>	<i>Associate Member</i>
<i>Erica Frenay</i>	<i>P</i>	<i>Associate Member</i>
<i>Henry Granison</i>	<i>P</i>	<i>Associate Member</i>
<i>Theresa Hollister-Ball</i>	<i>A</i>	<i>Associate Member</i>
<i>Carol Kammen</i>	<i>A</i>	<i>Associate Member</i>
<i>Michael Miller</i>	<i>P</i>	<i>Associate Member</i>
<i>Jon Reis</i>	<i>P</i>	<i>Associate Member</i>
<i>Wylie Schwartz</i>	<i>P</i>	<i>Associate Member</i>
<i>Nick Helmholdt</i>	<i>P</i>	<i>Staff</i>
<i>Kristin McCarthy</i>	<i>P</i>	<i>Staff</i>

8 **Guests:** Ronda Roaring
 9

10 **Opening Remarks/Changes to the Agenda** – Chair Kelli Cartmill welcomed everyone to the meeting. A
 11 quick report and request for action by Ken Jupiter on behalf of the Planning & Evaluation Committee was
 12 added to the agenda.

13
 14 **Privilege of the Floor** – Ronda Roaring voiced her support for and encouragement of the STPB’s efforts to
 15 get a Wayfinding Signage program up and running.
 16

17 **Action: Approval of the May 15, 2019 STPB Meeting Minutes** – Scott Wiggins moved approval of the draft
 18 May 2019 minutes. Andy Zepp seconded. Motion carried.
 19

20 **Chair’s Report – Kelli Cartmill**

21
 22 Kelli asked everyone to keep an eye out for the sign-up sheet for the Strategic Tourism Plan Focus Areas
 23 working groups, which has been MIA since the last meeting.
 24

25 **Staff Report – Nick Helmholdt**

- 26
 27 • The STPB will meet in August this year, and results from the Visitor Profile Study will be available then.
 28 • The Fall 2019 Community Celebrations grant round opens July 8 with a deadline of Aug. 29.

Tompkins County Strategic Tourism Planning Board (STPB) Draft Meeting Minutes

- 29 • Tompkins County Parks & Trails Network is meeting June 25 at (upper) Robert H. Treman State Park.
30 • Nick distributed an update on the Tompkins Festivals program.
31

CVB May Monthly Report – Peggy Coleman

32
33
34 Peggy Coleman shared highlights from the May report, which included several agricultural tourism events,
35 results of a three-month Atlas Obscura promotional campaign, and the hiring of David Walton as the CVB's
36 new Meeting and Conference Sales Manager.
37

Presentation: Hospitality Workforce Development Annual Report – Julia Mattick and Jodi LaPierre

38
39
40 Julia Mattick, executive director of Tompkins Workforce New York, and Jodi LaPierre, director of Visitor
41 Experience at the CVB, presented the 2018 Annual Report for the Hospitality Workforce Development
42 program. It included an overview of the history of the program as well as the thought process behind the
43 decision made to switch from the Hospitality Star training program to Visitor Journey A2D.
44

45 Julia and Jodi went over the A2D training process, which requires participants to complete seven online
46 modules and attend one class in-person, as well as goals for 2019 and successes achieved so far. They also
47 shared feedback from participants and statistics for June 2019.
48

49 Members suggested ideas for other modules and groups to target for outreach, including schools, people
50 of color, TCAT, bartenders, and airport staff. Julia said they are contemplating adding modules on the
51 China Welcome program and Downtown Ithaca. Jennifer Tavares remarked that front-line staff should
52 ideally be familiar with the Chamber of Commerce's "Live in Ithaca" initiative in case they encounter
53 visitors interested in relocating here. Sue Stafford said that a module based on topics and local amenities
54 of interest to people of color would be a great fit given the many students enrolled at TC3 from downstate.
55

56 Nick will send members the link to A2D training after the meeting. Peggy encouraged everyone to
57 participate. Further thought will be given to the idea of requiring grantees to undergo A2D training as well.
58

Budget Committee: Draft 2020 Tourism Program Budget

59
60
61 Scott Wiggins gave an overview of how the Budget Committee came to its findings and recommendations,
62 which include two possible scenarios for the 2020 Tourism Program Budget:
63

64 A: Maintain framework for budget lines as established in recent years.

65 B: Move \$100,000 from Tourism Project Grants (TPG) to the Wayfinding and Interpretive Signage Plan.
66

67 Here are some highlights from the subsequent Q&A session:
68

- 69 • One long-term goal is for the CVB to take over the Tourism Marketing & Advertising (TMA) Grants; this
70 change is reflected in the decision to move 50% of funds for TMA to the CVB.
71 • This Wayfinding money would help leverage funds from other stakeholders, like the City of Ithaca.
72 • TPG recipients stand to benefit from good signage as well. They can also still draw from other funding
73 buckets, like ACOD and Tourism Capital Grants.
74 • Anna Kelles was concerned that cuts to the Beautification Program might affect staff. She and Nick will
75 speak in more detail following the meeting.
76

**Tompkins County Strategic Tourism Planning Board (STPB)
Draft Meeting Minutes**

77 At the end of the discussion, members conducted a straw poll to vote for one of the two budget options.
78 There was unanimous support for Version B (reallocating \$100,000 in TPG funds to Wayfinding). The STPB
79 will vote on the draft 2020 Tourism Program Budget at the July 17th meeting.
80

81 **Planning and Evaluation Committee Report and Request for Action – Ken Jupiter**

82
83 Peggy Coleman brought a NYS Recreational Trails grant program to the attention of the committee, and the
84 committee in turn was now asking the STPB to authorize the STPB chair and Tourism Program staff to write
85 letters of support for grant proposals submitted by Tompkins County organizations and municipalities.
86 Jennifer suggested amending the request to include applicants for any CFA tourism grants. -- want to
87 authorize chair and TP to write letters of supports for CFA tourism grant applicants.
88

89 **Action:** Andy Zepp made a motion, and Doug Levine seconded, to authorize the STPB chair and Tourism
90 Program staff to write letters of support for Tompkins County organizations and municipalities applying for
91 CFA tourism grant funding from New York State. Motion carried.
92

93 **Member Announcements**

- 94 • Members shared news of community events of interest, including Watermusic/Dancing on the Trail
95 (July 12), DJ Sunset Cruises aboard the *MV Teal*, and Open Farm Days (Aug. 10-11).
- 96 • Visit USA (UK) voted Ithaca one of 11 Great USA LGBT-friendly Places to Visit in 2019.
- 97 • Rogues Harbor Inn was bought back by the original owner. She is looking for a restaurant partner.
- 98 • Salt Point Brewing Co. is relocating across from the Lansing ball fields to open a brewery and taproom.
- 99 • The annual Ithaca Artists Market at Steamboat Landing will take place July 19.
- 100 • Paula Younger, executive director for government and community relations at Ithaca College will attend
101 STPB on Cara's behalf while she is out on maternity leave. Paula will also help facilitate monthly
102 meetings with the CVB.
- 103 • The State Theatre is the official rain location for Movies in the Park (hosted by Friends of Stewart Park).

104
105 **Strategic Tourism Plan – Focus Area breakout meetings**

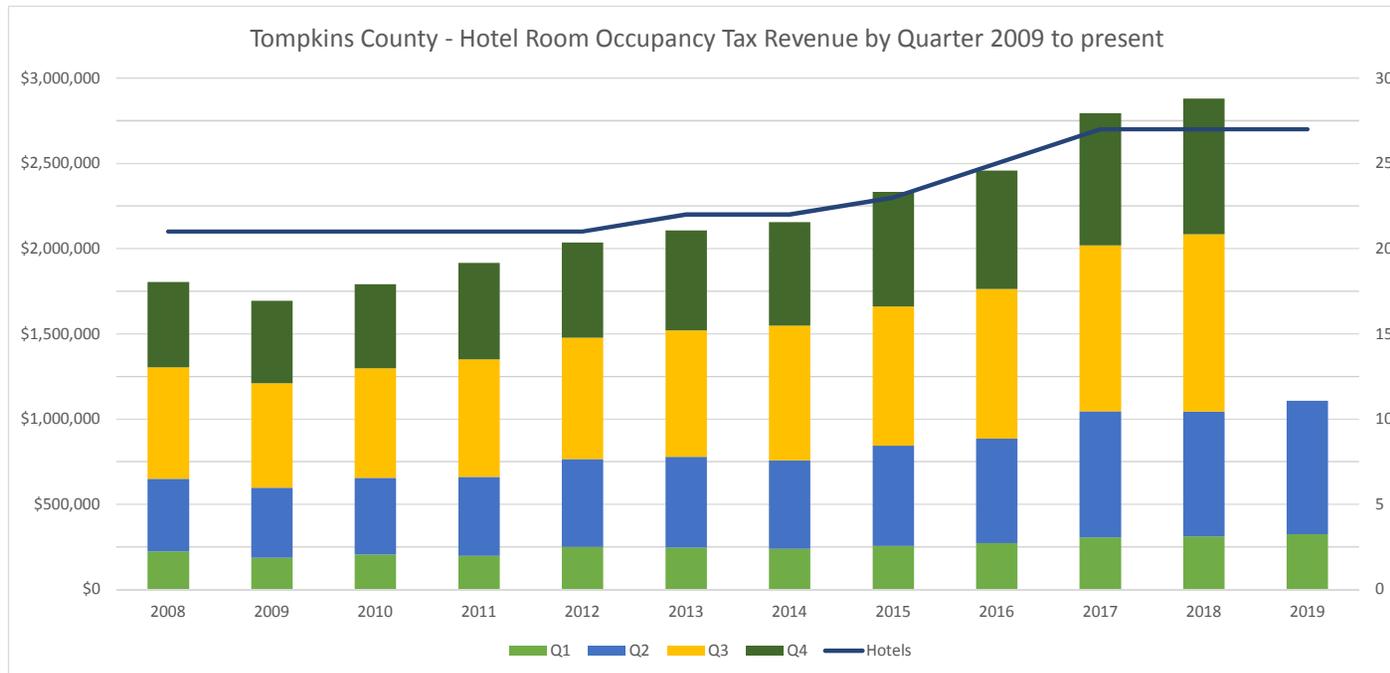
106
107 Members spent the remainder of the meeting in small discussion groups to make some headway on
108 fleshing out the Focus Areas portion of the Strategic Plan.
109

110 Chair Kelli Cartmill adjourned the meeting at 4:48 pm.

Tompkins County - Hotel Room Occupancy Tax Revenue - 2008 to present

Totals by quarter & year

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Q1	224,245	185,733	205,629	198,559	249,508	246,795	239,394	255,511	272,677	306,561	311,725	324,584
Q2	425,802	411,982	450,117	462,564	515,379	530,995	518,257	588,301	613,413	739,499	732,497	782,432
Q3	652,904	613,173	642,496	688,976	712,305	742,300	791,531	816,604	876,679	973,901	1,039,520	
Q4	500,553	482,818	493,815	566,231	558,170	586,547	607,263	673,415	696,084	774,477	796,894	
Add'l Rev.*	(8,616)	(22,625)	(7,917)	5,102	45,069	42,079	107,084	34,425	19,043	18,806	43,945	31,457
Total	1,794,887	1,671,082	1,784,140	1,921,431	2,080,430	2,148,716	2,263,529	2,368,257	2,477,896	2,813,243	2,924,581	1,138,473
Budgeted	1,773,138	1,552,161	1,700,000	1,859,659	2,036,716	2,152,700	2,260,335	2,373,352	2,495,315	2,635,870	2,754,484	2,935,000
Actual - Budgeted	21,749	118,921	84,140	61,772	43,714	(3,984)	3,194	(5,095)	(17,419)	177,373	170,097	
Room Tax Growth	3.3%	-6.9%	6.8%	7.7%	8.3%	3.3%	5.3%	4.6%	4.6%	13.5%	4.0%	
Hotels	21	21	21	21	21	22	22	23	25	27	27	27



Tompkins County - Hotel Room Occupancy Tax Revenue - 2008 to present

Quarter over Quarter Change (i.e. Q2 2017 vs Q2 2016)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Q1	17.9%	-17.2%	10.7%	-3.4%	25.7%	-1.1%	-3.0%	6.7%	6.7%	12.4%	1.7%	4.1%
Q2	9.4%	-3.2%	9.3%	2.8%	11.4%	3.0%	-2.4%	13.5%	4.3%	20.6%	-0.9%	6.8%
Q3	7.0%	-6.1%	4.8%	7.2%	3.4%	4.2%	6.6%	3.2%	7.4%	11.1%	6.7%	
Q4	-1.2%	-3.5%	2.3%	14.7%	-1.4%	5.1%	3.5%	10.9%	3.4%	11.3%	2.9%	

Quarterly Tax Revenues as a Share of Annual Tax Revenue

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Q1	12.5%	11.1%	11.5%	10.3%	12.0%	11.5%	10.6%	10.8%	11.0%	10.9%	10.7%	
Q2	23.7%	24.7%	25.2%	24.1%	24.8%	24.7%	22.9%	24.8%	24.8%	26.3%	25.0%	
Q3	36.4%	36.7%	36.0%	35.9%	34.2%	34.5%	35.0%	34.5%	35.4%	34.6%	35.5%	
Q4	27.9%	28.9%	27.7%	29.5%	26.8%	27.3%	26.8%	28.4%	28.1%	27.5%	27.2%	

Tax Paid by Establishments with 10 Rooms or Fewer (aka 3% tax on B&Bs)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Q1	7,575	7,698	8,379	9,425	9,110	10,844	12,983	16,591	17,824	39,904	44,754	56,081
Q2	15,137	14,021	15,736	18,504	17,983	19,950	23,174	27,841	33,410	78,444	89,909	115,691
Q3	30,418	28,216	33,994	31,872	32,989	40,366	44,363	58,906	85,806	96,937	113,307	-
Q4	18,958	19,982	19,688	21,359	22,468	22,632	28,282	35,956	51,483	57,450	64,920	-
Total	72,089	69,918	77,797	81,160	82,551	93,792	108,802	139,294	188,524	272,735	312,890	171,772
Year over Year Change	5.0%	-3.0%	11.3%	4.3%	1.7%	13.6%	16.0%	28.0%	35.3%	44.7%	14.7%	

Tax Paid by Establishments with 11 Rooms or More (aka 5% tax on Hotels & Motels)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Q1	216,669	178,035	197,249	189,136	240,397	235,951	226,431	238,922	254,852	266,657	266,971	268,503
Q2	410,664	397,960	434,379	444,058	497,394	511,048	495,084	560,460	580,003	661,055	642,589	666,741
Q3	622,487	584,958	608,502	657,104	679,314	701,932	747,151	757,697	791,252	876,964	926,213	-
Q4	481,595	462,837	474,127	544,871	535,704	563,917	578,873	637,460	645,011	717,027	731,975	-
Total	1,731,415	1,623,790	1,714,258	1,835,169	1,952,809	2,012,848	2,047,539	2,194,538	2,271,118	2,521,702	2,567,747	935,244
Year over Year Change	6.4%	-6.2%	5.6%	7.1%	6.4%	3.1%	1.7%	7.2%	3.5%	11.0%	1.8%	

Share of Exempt Sales (Exempt Sales / Gross Sales)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Q1	21.8%	21.7%	19.8%	21.2%	22.1%	21.9%	24.1%	22.5%	22.5%	19.2%	20.2%	21.4%
Q2	15.1%	14.6%	14.5%	15.0%	14.3%	15.4%	13.9%	13.0%	14.4%	12.6%	14.4%	13.5%
Q3	11.1%	11.3%	11.7%	10.5%	10.5%	10.8%	10.8%	10.0%	10.5%	6.7%	11.8%	
Q4	13.4%	11.7%	12.0%	11.7%	13.3%	14.3%	12.8%	12.3%	12.6%	13.7%	14.5%	
Total	14.1%	13.4%	13.5%	13.2%	13.8%	14.3%	13.8%	13.0%	13.5%	11.7%	14.2%	
Year over Year Change	4.6%	-4.8%	0.1%	-2.1%	4.7%	4.0%	-4.1%	-5.9%	4.5%	-13.2%	20.8%	

Historic Tax Rates for Hotels & Motels

3% - until May 1, 2002
 4% - until December 1, 2002
 4 ½ % - until June 1, 2003
 5% - June 1, 2003 and beyond

Quarter Periods

Q1: Dec Jan Feb
 Q2: Mar Apr May
 Q3: Jun Jul Aug
 Q4: Sep Oct Nov

Taxes Due

Mar 20
 Jun 20
 Sep 20
 Dec 20

Reported to STPB

Apr
 Jul
 Oct
 Jan

Footnotes

*Additional Revenue = Tax collected outside of current quarter.
 Voluntary Collection Agreement w/ AirBnb - effective July 1, 2016
 More Details on Hotel Room Occupancy Taxes are available online:
<http://www.tompkinscountyny.gov/finance/roomtax>



Tompkins County
DEPARTMENT OF PLANNING AND SUSTAINABILITY

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Katherine Borgella, AICP
Commissioner of Planning and Sustainability

Telephone (607) 274-5560
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TO: Strategic Tourism Planning Board (STPB)
CC: Housing & Economic Development (HED) Committee
FROM: Nick Helmholdt, AICP, Principal Planner / Tourism Program Director
DATE: July 10, 2019
RE: **2020 Tourism Program Budget Recommendation**

ACTION REQUESTED

The STPB is asked to vote to recommend the 2020 Tourism Program Budget at its July 17 meeting. The recommended budget will be transmitted to County Administration for inclusion in the overall 2020 County Budget. The full County Legislature reviews the budget in the fall.

BACKGROUND

2020 TOURISM PROGRAM BUDGET SUMMARY

Product Development Expenses

ACOD Grants	\$280,000
Beautification Program	\$150,000
Tourism Capital Grants	\$260,000
CAP General Operating Support	\$43,295
Community Celebration Grants	\$36,590
Tourism Project Grants	\$27,159
Festivals Program	\$28,710
Hospitality Workforce Development	\$32,000
County Historian	\$7,850
Public Art Grants	\$10,000
Wayfinding	\$100,000
<i>Subtotal</i>	<i>\$975,445</i>

Marketing Expenses

Convention & Visitors Bureau	\$1,433,000
Tourism Marketing & Advertising Grants	\$20,000
Market the Arts	\$10,650
<i>Subtotal</i>	<i>\$1,463,650</i>

ROOM TAX REVENUE PROJECTION

The bylaws of the Strategic Tourism Planning Board define the responsibility and composition of the Budget Committee. In 2019 the committee was comprised of Scott Wiggins (committee chair), Kelli Cartmill (STPB chair), Susan Stafford, Michael Mellor, and Josh Friedman. The committee has held four meetings to date.

Between April and July, the STPB Budget Committee developed projections of 2019 and 2020 room tax revenues and associated changes in room tax reserves, with input from Tourism Program administrators and lodging industry experts.

Room tax revenues through the first two quarters of 2019 are tracking close to the original 2019 budget projection. The committee anticipates no change to the current 2019 room tax forecast. The Budget Committee projects \$3,050,760 in room tax revenue for 2020. A summary of room tax figures is provided below for reference:

- 2018 Room Tax Projection: \$2,754,484
- 2018 Room Tax Collection: \$2,924,581
- 2019 Room Tax Projection: \$2,935,000
- 2020 Room Tax Projection: \$3,050,760

These room tax revenue projections are based on analysis of several sources including historic Tompkins County room tax revenues, local hotel industry data from Smith Travel Research, projected increases in local room supply, and other local conditions (such as impacts from the construction delay for the Maplewood housing project, which inflated 2018 hotel demand).

2020 Quarterly Room Tax Targets

The quarterly targets below are intended to help the STPB understand how actual room tax collections compare to projections throughout the year. The targets were developed by the STPB Budget Committee using historical data on hotel occupancy and rates.

- Q1: \$345,800
- Q2: \$773,192
- Q3: \$1,126,168
- Q4: \$805,600

RESERVES

The STPB policy on budget reserves and surpluses sets a target reserve balance of 5% of the annual projected room tax collection. For 2020, based on the room tax projection of \$3,050,760, the target reserve balance is set to \$152,538. The 2018 year-end unallocated room tax reserve balance was \$134,931. Per the policy, \$17,607 will be allocated to reserves.

SUMMARY OF FUNDS AVAILABLE FOR 2020 TOURISM PROGRAMS

+ Projected Room Tax Revenue	\$3,050,760
- Use of Reserves (to meet target reserve balance)	\$17,607
= Total Revenues + Reserves	\$3,033,153
- County 10% Tax Administration Fee	\$305,076
- Tompkins County Area Development (TCAD)	\$127,709
- Strategic Planning & Staffing	\$111,284
- Strategic Tourism Implementation Grants	\$48,830
= Tourism Program Funds Available for Product Development and Marketing	\$2,439,095

(Details about the County's 10% Tax Administration Fee, TCAD, and Strategic Planning & Staffing are provided below under "Other Expenses.")

2020 BUDGET REQUESTS

The Tompkins County Tourism Program solicited budget requests from program administrators and heard presentations at its May 29 meeting at Ithaca College's Peggy Ryan Williams Center. Program administrators and committee chairs were asked to describe the actual funding needed to implement program goals and provide specific detail on the prioritization of funds. (Prior to 2018, budget requests were capped at a set percentage and only designated entities were permitted to present "over target requests" exceeding these budget caps.) A total of \$2,554,081 was requested from the Tourism Program.

Program administrators responded to the new guidance and provided clear annual goals, measures of achievement, and information on how the requested budget will support implementation of the *2020 Strategic Tourism Plan*. (Full documentation of budget requests is available upon request.)

Following budget presentations, the STPB Budget Committee explored possible approaches, weighed opportunities presented by each program, and developed the recommended budget.

PRODUCT DEVELOPMENT EXPENSES

The following section provides detail regarding Product Development budget items with substantial changes. The proposed Product Development expenses equal 40% of the combined Marketing & Product Development budgets. This is in line with the Tourism Program's established 60/40 split policy.

Arts & Cultural Organization Development Grants

The committee recommends increasing funding to the Arts & Cultural Organization Development (ACOD) grant program. This increase will allow the grant program administrator, Community Arts Partnership (CAP), to consider funding requests from eligible, established organizations. CAP's budget request sought additional funding to implement ACOD program changes approved by the STPB in April.

Beautification Program

The committee recommends decreasing funding to the Beautification program. Prior years of funding had been provided to help the program establish a greenhouse — a project which is no longer going forward. The committee was concerned about the proposed use of the reserve balance, which had been intended for the greenhouse. The committee was also concerned about the apparent growth in the number of locations where the Beautification program maintained plantings and the lack of financial support from other municipalities.

Tourism Capital Grants

The committee recommends increasing funding for Tourism Capital Grants as requested by the program administrator. The program has experienced high demand and increasing quality of applications. The committee recognized that this program is becoming an important funding mechanism for outdoor recreation initiatives in the County.

Tourism Project Grants

The committee recommends decreasing funding for Tourism Project Grants in 2020. This funding will be applied to implement the Wayfinding Signage program (see below). Tourism Project Grants support one-time efforts to attract visitors to Tompkins County.

Wayfinding

The committee recommends allocating an additional \$100,000 to implement the Wayfinding Signage program. In 2014 the STPB completed the Tompkins County Wayfinding & Interpretive Signage Plan, which defined a signage system to enable visitors and residents to navigate safely, easily, and efficiently throughout the County. Following the completion of the plan, the STPB decided to hold \$150,000 in reserve to implement the program. Several grant applications have been submitted to

Inclusion through Diversity

leverage this funding over recent years; none of them have been successful. The intent of this additional funding is to begin the implementation of the program using local resources.

MARKETING EXPENSES

The following section provides detail regarding Product Development budget items with substantial changes. The proposed Marketing expenses equal 60% of the combined Marketing & Product Development budgets. This is in line with the Tourism Program's established 60/40 split policy.

Convention & Visitors Bureau

The committee recommends increasing funding of the Convention & Visitors Bureau (CVB). The committee was impressed with the CVB's detailed budget request and recent accomplishments. A variety of factors influenced the CVB's request including:

- The addition of a retail store operated by CVB inside the TCHC
- The addition of a permanent position to support agricutinary tourism promotion
- Increasing overall payroll and benefits to attract and retain staff in a variety of positions
- The costs associated with marketing workshops that support Tourism Program grantees
- Increasing advertising & group sales efforts to match the increase in local hotel room supply

Tourism Marketing & Advertising Grants

The committee recommends decreasing funding for Tourism Marketing & Advertising grants. The committee had concerns about the effectiveness of this program.

OTHER EXPENSES

Strategic Tourism Implementation Grants

The committee recommends budgeting \$49,830 for Strategic Tourism Implementation grants on the condition that funds be allocated to projects supporting the development of a Conference Center.

County 10% Tax Administration Fee, Strategic Planning & Staffing

The Principal Planner / Tourism Program Director position will continue to support the program at 37.5 hours per week. All other County support for the program is provided though the "County 10% Administrative Fee" portion of the room tax budget.

Tompkins County Area Development

Tompkins County's initial five-year funding agreement with TCAD expired at the end of 2018. The County entered into a second five-year funding agreement in 2019 with defined contributions from room taxes. The 2020 room tax funding to TCAD is budgeted at \$127,709 (an amount equal to 50% of the County's contribution to TCAD).

BUDGET IMPLICATIONS

All Tourism Program activities are supported through the Hotel Room Occupancy Tax. The Tourism Program Director and STPB monitor quarterly room tax reports to ensure that funds are available. All Tourism Program contracts issued are contingent upon fund availability. This budget has no direct impact on other County revenue sources.

CONTACT

Nick Helmholdt, Tompkins County DPS, nhelmholdt@tompkins-co.org
Kelli Cartmill, STPB Chair, kelli.cartmill@hilton.com
Scott Wiggins, STPB Budget Committee Chair, scott@latourelle.com

ATTACHMENTS

- Recommended 2020 Tourism Program Budget
- STPB Budget Reserve and Surplus Hotel Room Occupancy Tax Policy

2020 Tourism Program Budget v3

Product Development	2019 - Adopted	2019 - Modified	2020 - Proposed (v3)	Notes
ACOD Grants	250,000	250,000	280,000	1
Beautification	160,000	160,000	150,000	2
Capital Grants	255,000	298,480	260,000	3
CAP - General Operating Support	42,033	42,033	43,295	
Community Celebration Grant	36,590	40,000	36,590	
Tourism Project Grants	129,000	137,514	27,159	
Festivals	26,895	26,895	28,710	
Hospitality Workforce Development	32,504	32,504	32,000	
County Historian	7,750	7,750	7,850	
Public Art Grants	10,121	10,121	10,000	
Wayfinding			100,000	4
subtotal	1,614,893	1,005,297	975,604	

Marketing	2019 - Adopted	2019 - Modified	2020 - Proposed (v3)
Convention and Visitors Bureau	1,341,000	1,352,647	1,433,000
Tourism Marketing & Advertising Grant	54,000	54,000	20,000
Discovery Trail	19,000	19,000	
Market the Arts	10,800	10,800	10,650
subtotal	2,776,704	1,436,447	1,463,650

Product Development + Marketing Summary	2019 - Adopted	2019 - Modified	2020 - Proposed (v3)
Total Combined Product Dev. + Marketing	4,391,597	4,458,648	2,439,254
Product Development %	36.8%	36.8%	40.0%
Marketing %	63.2%	63.2%	60.0%

Other Expenses	2019 - Adopted	2019 - Modified	2020 - Proposed (v3)	
County Tax Administration (10%)	293,500	293,500	305,076	
Strategic Planning & Staffing	109,701	109,701	111,284	
TCAD	187,808	187,808	127,709	
Strategic Plan Update	15,000	15,000	-	
Strategic Tourism Implementation Grants - Conference Center Only	33,896	33,896	49,830	5
subtotal	639,905	639,905	593,899	

Grand Total Expenses	5,031,502	5,098,553	3,033,153
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Revenues + Reserves	2019 - Adopted	2019 - Modified	2020 - Proposed (v3)	
Projected Room Tax Revenue	2,935,000	2,935,000	3,050,760	
Projected Use of Reserves	79,598	146,649	(17,607)	6
Grand Total Revenues + Reserves	3,014,598	3,081,649	3,033,153	

Notes

1 Proposed amount includes administrative costs (CAP)

2 Proposed amount includes funding to three organizations (CCE Tompkins, DIA, and Chamber of Commerce)

3 Proposed amount includes administrative costs (TCAD)

4 Wayfinding funding to be added to \$150,000 in fund balance to support implementation

5 2020 STI grant applications will be expected to address the downtown conference center

6 Target reserve balance of 5% of room tax as established by STPB policy.

Strategic Tourism Planning Board / Tompkins County Tourism Program

Budget Reserve and Surplus Hotel Room Occupancy Tax Policy

BACKGROUND: On April 2, 2018 members of the Strategic Tourism Planning Board's (STPB) Budget Committee and Planning & Evaluation Committee met to discuss approaches to budget reserves and surplus room tax collections. The following document is the result of discussion among the committees.

The STPB serves as an advisory board to the Tompkins County Legislature on matters relating to tourism. In this capacity it makes recommendations on the most appropriate and effective use of Tompkins County Room Occupancy Tax revenues. These recommendations are presented to the County Legislature which has final authority to accept, modify, or reject any proposal. The policy described in this document outlines the process STPB will use to formulate its budget recommendations to the county.

I. Reserve Funds

- a. Purpose of Reserve Funds: External factors can have adverse effects on local room tax revenues. A wide variety of circumstances could lead to reduced visitation to Tompkins County. Some organizations integral to the local tourism sector rely on room tax funding as a primary source of funding. If room tax revenue declines, the reserve fund is intended to assist organizations of vital importance to sustain the county's tourism sector.
- b. Target Reserves: Five percent of the projected annual Tompkins County hotel room occupancy tax collections should be held in reserve. (For example, if \$3,000,000 in hotel room occupancy tax is projected for a given year then \$150,000 should be held in reserve.)
- c. Use of Reserves: If room taxes decline year over year, the STPB may authorize reserves to be used to sustain essential operations necessary to our local tourism sector.

II. Surplus Funds

- a. Source: Each year the STPB prepares a projection of Tompkins County's hotel room occupancy tax collections. This forecast is based on detailed market data and professional knowledge about the region and industry. From time to time, room tax collections exceed this projection, leading to surplus funds.
- b. Fully Fund Reserves: To maintain an adequate reserve balance, surplus funds should first be applied to achieve the reserve target.
- c. Allocate Remaining Surplus to Existing Programs: To ensure a transparent, equitable process for accessing county room tax funds, any surplus more than the amount needed for reserve should be applied within the existing framework of the Tompkins County Tourism Program.

- i. Preferred Application / Strategic Tourism Implementation: The STPB is charged with the implementation of the Tompkins County Strategic Tourism Plan. To date there are several “critical actions” in the plan which are not yet complete. To accomplish these actions, the STPB prefers to allocate all remaining surplus funds to the Strategic Tourism Implementation (STI) grant program. This program funds projects which advance tourism projects in Tompkins County that enhance quality of life and promote economic development. This program uses a rolling grant application which would allow funds to be applied in the same year as the surplus.
- ii. Alternative Application / Marketing & Product Development: The 2020 Strategic Tourism Plan established a policy of splitting funds 60/40 for marketing and product development. When all “critical actions” defined in the current Strategic Tourism Plan are complete or deemed unnecessary or at the discretion of the Strategic Tourism Planning Board, surplus funds may be made available for one-time projects in accord with the 60/40 policy. (For example, if \$100,000 of surplus funds are available, \$60,000 should be allocated to marketing and \$40,000 to product development.) Due to the timing of room tax collections and grant decisions, funds will be available in the following year.

APPROVED by the Strategic Tourism Planning Board on April 18, 2018.