



DOOR COUNTY TOURISM ZONE COMMISSION

Administrator's Report

APRIL 2017

Compliance: Late Letters Sent

- The number of *January 2017* "No Reports" letters sent: Eighteen (18) to owner managed properties on 3/15/17
 - Three (3) remains to report as of 4/12/17.

Unpaid tax/fees/penalties: The total outstanding due as of 4/12/17 is: \$27,901.41 from eight (8) permit holders. \$25,091.31 is the judgment granted in the recent compliance case. There are two (2) larger ACH reject included in the total.

First Notice	Second Notice	Third Notice	Attorney	Settlement/ Payment Plan	Collections
	\$ 197.61	\$ 396.16	\$ 25,091.31	\$ 1,168.43	
	\$ 9.95	\$ 570.27	\$ 50.00	\$ 238.22	
	\$ 110.55	\$ 68.91			
\$ -	\$ 318.11	\$ 1,035.34	\$ 25,141.31	\$ 1,406.65	\$ -
\$ 27,901.41	Total Outstanding				

- **Permits:** *Twenty one (21) permits have been issued since March reporting – Ten (10) or 47.6% due to compliance efforts.*
 - *Thirteen (13) properties were permitted during the same period in 2016.*
 - *As of 4/12/17 there are 1038 permits.*
 - *Town of Washington- seasonal – compliance*
 - *Village of Sister Bay – seasonal*
 - *Town of Egg Harbor – year round – compliance*
 - *Town of Egg Harbor – year round*
 - *Village of Egg Harbor – seasonal – compliance*
 - *Village of Ephraim – seasonal - compliance*
 - *Town of Gibraltar – year round*
 - *Town of Liberty Grove – year round – compliance*
 - *Town of Liberty Grove - seasonal*
 - *Town of Liberty Grove – year round –compliance*
 - *Town of Nasewaupée – year round*
 - *Village of Egg Harbor – seasonal*
 - *Village of Ephraim – seasonal*
 - *City of Sturgeon Bay – year round – compliance*
 - *City of Sturgeon Bay – year round*
 - *Village of Ephraim – seasonal – compliance*
 - *Town of Nasewaupée – seasonal*
 - *City of Sturgeon Bay – seasonal – compliance*
 - *Village of Egg Harbor- seasonal –compliance*
 - *Town of Sturgeon Bay – year round*

- *Town of Baileys Harbor – seasonal*

Unpermitted Properties:

I am currently working on permitting fourteen (14) unpermitted properties that are advertising online or have contacted the office regarding permitting. Last year at this time I was working on fifteen (15) unpermitted properties.

- **VRBO/ Homeaway/ Vactionrentals.com** : Currently on VRBO there are 542 (535 last month) properties for Door County with a few that are located in or around Algoma.
 - VRBO Listing #1024399 – compliance letter sent 3/31/17 and 2/27/17
 - VRBO Listing #101782 – compliance emails 3/30/17 and 2/7/17 (permitted by owner but new responsible party taking over)
 - VRBO Listing #1005094 - compliance letter sent 3/29/17 (final notice with 4/14/17 deadline), 2/7/17 and 3/6/17
 - VRBO Listing #1010162 – compliance letter sent 4/6/17 and 2/16/17
 - VRBO Listing #1032665 – compliance letter sent 3/17/17
- The same properties are cross listed on **Homeaway.com/vactionrentals.com** have over 300+ listings.
- **AIRBNB:** Currently on Airbnb there are 162 (up from 153 last month) rentals listed for Door County. Below is the current breakdown of the Airbnb Properties by Municipality. Currently there are five (5) unpermitted properties on Airbnb four of which are timeshare weeks which are either wholesaler listed or by the week owner.

MUNI		# of Airbnb Properties		
2	Baileys Harbor	8		
6	Clay Banks	2		
8	Town of Egg Harbor	20		
9	Village of Egg Harbor	17		
11	Ephraim	5		
12	Gibraltar	10		
14	Town of Forestville	0		
15	Town of Jacksonport	5		
27	Nasewaupee	4		
32	Liberty Grove	22		
33	Sevastopol	7		
34	Sister Bay	6		
35	City of Sturgeon Bay	27		
36	Town of Sturgeon Bay	5		
39	Gardner	4		
42	Union	1		
46	Washinton Island	13	162	TOTAL IN DC
	NOT IN DOOR COUNTY	6		

- **Unpermitted Listings:**
 - Unpermitted Listing #1: 15062338 (compliance /timeshare- no leads)
 - Unpermitted Listing #2: 13282955 (compliance /timeshare- no leads)
 - Unpermitted Listings #3: 17556199 – compliance letter sent 4/6/17 and 3/6/17
 - Unpermitted Listing #4: 13752696 – each time I find the owner they take it down only to put it up a few months later. I will be trying one more time to permit if not successful I will refer to legal counsel.
 - Unpermitted Listing #5: 17656602 – compliance letter sent 4/12/17

- **TRIPADVISOR/FLIPKEY:** Currently on TripAdvisor there are two hundred (200) vacation rentals (218 last month).
 - Flipkey listings are forty six (46) last month there were forty two (42) rentals. (all permitted)
- **Facebook** – I have been monitoring the Door County Vacationers and just searching for Door County property listings for pages. I found a bunch of new listings in the Vacationers page, all but one was permitted. The un-permitted property was sent a compliance letter.
- **Craigslist :**
 - Listing #5977803938 -Time share for sale or rent. Compliance letter went 3/17/17
 - Listing #6000306300- Eagle Harbor Point Beach – Compliance letter sent (Property has not transferred yet to the new owners. They were advertising prior to the real estate closing. They assure me they will permit as soon as the closing occurs – I am watching property records for the transfer.)

Other news:

- WDOR filings: Only three (3) municipalities remain to file by the May 1, 2017 deadline: Nasewaupee, Washington and Clay Banks. I have an appointment set up for 4/20 for Clay Banks and Washington Island on 4/21. Nasewaupee is going to try and file on their own (I sent everything they need to file to them). Brussels and Village of Forestville were exempt from filing per the WDOR.
- Newsletter – a final proof has been approved.
- Press Release – the 3/23/17 press release resulted in a nice article in the Door County Advocate. (The PR is included in this report)
- Agent property lists for 2017 and an accompanying letter went out to all agents. This year I moved a few permit holders into the agent list as they manage multiple properties. Additionally, I included a signature page this year. I asked that all agents sign that they reviewed their properties for online listing ID's, months open and that they reviewed the letter with current important information. I also included the data project and press release for their review.
- Outreach to resort individual owners – I mailed the letter to resorts on 4/4/17 asking for each resort to either mail the outreach letter (similar to the letter Bob Starr shared) to each of their owners or to provide the Tourism Zone with an excel spreadsheet of their owners and I will complete the mailing on their letter head for them.
- The survey response emails continue to go out once a month. The open rates are as follows: 12/7/16 email 43.9%, 1/10/17 email 45.8%, 2/17/17 email 42.5% and 3/20/2017 email 36.2%. There are three (3) more emails to go in the series addressing what came out of the survey.

Respectfully Submitted,

Kim Roberts
Administrator

Removed Properties 3/10/17 to 4/12/17

Municipality	Permit #	Removed	Lodging Name	Lodging Address	Owner	Reason for Removal
Village of Egg Harbor	09-53-0512-00	3/15/17	Valuch's White Cliff Condo	7845 White Cliff Rd Unit 1	Milan & Jan Valuch	No longer renting
Village of Egg Harbor	09-56-1550-00	3/15/17	Fore! Seasons	5050 Alpen	Nancy Seabury	No longer renting – property is for sale
Town of Sturgeon Bay	36-55-0814-01	3/15/17	A-Frame	3018 Lake Forest Park Rd	John Lundquist	Property sold.
Town of Baileys Harbor	02-50-0461-00	3/15/17	Nelson Lakeview Suites	8120 HWY 57	Gary & Peg Nelson	Out of business. Admin deactivation.
Town of Baileys Harbor	02-56-1075-00	3/22/17	Haverkorn	7701 Prestwick Way	Mike Haverkorn	Property sold.
Town of Egg Harbor	08-56-0467-01	3/22/17	Martens Nest	6665 Bay Shore Drive	Cheryl Halladay	No longer renting
Village of Sister Bay	34-56-1472-06	3/22/17	North Trace	10804 N Bay Shore Drive	Susan Woerfel	No longer renting
Town of Baileys Harbor	02-56-1473-06	3/23/17	Pine Shore	9090 Wild Lane	Pine Family Partnership	No longer renting
Village of Sister Bay	34-56-1472-06	3/29/17	Chateau Garot	10615 Meadow Lane	Keith Garot	Admin deact- property sold & new owners permitted. No response to deactivation form request.
Town of Gibraltar	12-53-0213-01	3/29/17	Northhaven Stairway to Heaven	9444 Northhaven	Randy Vanaartsen	Admin deact- Confirmed Property sale in land records. No response to deactivation form request.
Town of Gibraltar	12-55-0119-00	4/3/17	Montenero Cottage	W3389 STH 42	Patrick Montenero	No longer renting.
Town of Liberty Grove	32-56-1136-06	4/3/17	Summer Breeze	12707 STH 42	Jim & Lisa Smith	No longer renting. Doing deferred maintenance and plan to sell.
Village of Sister Bay	34-56-1615-02	4/3/17	Skogland Schramm	10706 S Crescent	LeRoy & Denise Schramm	Property Sold.
Town of Gardner	39-56-1611-01	4/4/17	Sunflower Shores	3364 S Willow	Darel Graf	No longer renting
Town of Egg Harbor	08-53-0452-00	4/5/17	Horseshoe Bay Club Cottages	5335 Horseshoe Bay Rd	Club Cottage Homeowner Assoc.	DCPM has taken over under a new permit: 08-53-1700-06
Town of Gibraltar	12-53-0175-00	4/6/17	Muth's Top of the Hill Condo	9340 Spring Road	Robert & Sharon Muth	Property sold.

TOURISM ZONE COMMISSION: Reflection on Success with the Completion of Data Project

Sister Bay, WI – On April 12, 2007 the elected officials of 10 Door County municipalities met to sign the Inter-Governmental Cooperation Agreement that formed the Door County Tourism Zone. By August of that year Washington Island had joined the Zone and by the end of 2008 all 19 Door County municipalities were on board. The Tourism Zone was created to collect room tax which, in turn, is the primary funding source for the marketing efforts of the Door County Visitor Bureau.

The Tourism Zone was formed as a response to a downward trend in the numbers of visitors to Door County. One clear measure of this came from the State of Wisconsin's statistics for the years 2001 – 2005. During that period, when State tourism revenue rose by 15%, Door County's declined, resulting in a 4.2% loss of our State tourism market share. Today, ten years after the formation of the Door County Tourism Zone Commission and the corresponding collection of room tax, the picture is very different.

Currently, there are approximately 1033 permit holders countywide, from single owners renting cabins or condos to bed & breakfasts to large resort complexes. The 5.5% room tax is mandated by local ordinances to be distributed as follows: 30% to the municipalities, 66% to the Door County Visitor Bureau for tourism marketing and promotion, and 4% for Commission administrative costs.

Door County is recognized on a regular basis by organizations and media outlets as a wonderful place to live and visit. We make the best-of-lists for vacation and getaway destinations and attractions that include: Fall colors, fishing, and our small town vibe. As with any consumer product or service, destinations must be marketed in order to obtain awareness and consideration within the mindset of potential visitors. In order to compete we have to offer more: The vacation traveler needs to know what they can do once they arrive. Destination Marketing is essential to attracting visitors and protecting Door County's Tourism Economy.

We can tell you room tax is doing its job, but the numbers do a better job of reflecting the economics of tourism that are impacted by room tax funding. Recently efforts were undertaken to compile the wealth of data for each room tax report year into a valuable historical look at room tax in Door County.

The historical look was completed by looking at each property type in Door County with the following metrics for the report years 200-2016: available room nights, filled room nights, occupancy percentage (dividing the total number of room nights filled by the total number of room nights available times 100), average daily rate (ADR) and revenue.

- **Hotel and Motels** available room nights decreased 1.78%, but gained 20.59% in filled room nights. Occupancy grew 22.78% and ADR increased 22.38%. Revenues increased 47.59% for Hotels and Motels.
- **Resorts** gained 4.91% in available room nights and gained 34.18% in filled room nights. Occupancy grew 27.90% and ADR increased 8.02%. Revenues grew 44.95% for Resorts.
- **Inn's** available room nights decreased 7.07% and decreased by 17.46% in filled room nights during the period of 2009-2016. Occupancy decreased by 11.18% and ADR grew 33.02%. Revenues increased 9.80% for Inn's.
- **Condo's** gained .18% in available room nights and increased 17.00% in filled room nights. Occupancy increased 16.79% and ADR grew 6.76%. Revenues increased 24.91% for Condo's.
- **B&B's** decreased 22.25% in available room nights, but gained 10.14% in filled room nights. Occupancy grew 41.64% and ADR grew 22.65%. Revenues increased 35.07% for B&B's.
- **Cottage, Houses and Cabins** gained 23.15% in available room nights and gained 41.22% in filled room nights. Occupancy increased 14.80% and ADR increased 33.46%. Revenues increased 88.47% for Cottages, Houses and Cabins.

- **The other category** (other types of lodging not covered by the defined categories) decreased 1.37% in available room nights, increased 20.65% in filled room nights, increased 22.31% in occupancy, increased 26.26% in ADR. Revenue increased 52.32%.

In summary, for all property types in Door County from 2009-2016:

- Available room nights increased 3.33%
- Occupied room nights increased 25.19%
- ADR increased 18.22%
- Occupancy increased 21.14%
- Revenues increased 47.99%

The project demonstrates the growth from 2009-2016 across the lodging industry in Door County; most notably the increase in occupied rooms across all but one property type. Prior to room tax in Door County other state and regional communities continued to grow their marketing budgets to produce a greater share of customer attention and resulting market share; the DCVB marketing program lacked funding. Room tax revenue provides the mechanism that ensures the ongoing funding for the marketing of Door County. Destination Marketing that is funded by ROOM TAX is essential to growing and sustaining tourism. In the competitive marketplace where travelers have many options, Destination Marketing Funds (room tax revenue) allows Door County to be marketed and represented. Prior to 2007, Door County's marketing entity, the DCVB, marketed Door County with a marketing budget of less than \$200,000 in comparison to 2016's budget of \$2.8 million from room tax revenues. The analysis shows that with the partnership of permit holders, municipalities and the DCVB, Door County has succeeded in bringing brand awareness to consumers through publicity and advertising funded through room tax.

The Tourism Zone would like to thank all permit holders for their efforts in collecting and remitting room tax. 2016 room tax collections were up over 8.0% over 2015. The data project is now available on the website for review under the Tourism Zone tab by selecting Historical Data Project. Ordinance language, the Commission Bylaws, and room tax reporting can be found on the Tourism Zone's website, doorcountytourismzone.com.