



**DOOR COUNTY TOURISM ZONE  
EXECUTIVE COMMITTEE  
Minutes of September 20, 2018  
City of Sturgeon Bay- Community Room**

**ACTION ITEMS:**

Nelson moved and Weddig seconded to approve the agenda. Motion carried.

Le Clair moved and Nellen seconded to approve the August 16th, 2018 Full Commission Meeting minutes with an amendment requested by Nelson. Motion carried.

Nelson moved and Maci-Schmidt seconded to approve Kerber Rose Reports, Payables, and Receipts to Date. Motion carried.

Skare moved and Nelson seconded to spend up to five thousand dollars (\$5,000) for the engagement of services to advocate on the behalf of the Commission and member municipalities with regards to legislative issues.

Skare called the question. Nelson seconded.

Motion to recommend to the Full Commission that we spend up to five thousand dollars (\$5,000) for the engagement of services to advocate on the behalf of the Commission and member municipalities with regards to legislative issues. If necessary additional unbudgeted funds may be utilized for work with Hillstrom PR to refine and craft message for distribution and communication purposes. All ayes.

Nelson moved and Nellen seconded to adopt and share the Good Neighbor policy. Motion carried.

Nelson moved and Nellen seconded for Van Lieshout and Roberts to continue to develop the Financial Policy on Reserves to present at a future meeting. Motion carried.

Consider motion to convene into Closed Session pursuant to Wisconsin State Statutes, Section 19.85(1)(g) to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or likely to become involved; to wit: enforcement actions against lodging providers who have failed to obtain lodging permits and to timely remit monthly room tax reports and tax payments by roll call.

Le Clair moved and Nelson seconded to adjourn. Motion carried.

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**Committee Members Present by Roll Call:** Josh Van Lieshout, Bryan Nelson, Elizabeth Le Clair, Bill Weddig, Jim Nellen, Kathleen Maci-Schmidt and Dick Skare.

**Also in Attendance:** Kim Roberts/Administrator

**Call to Order**

Van Lieshout called the meeting to order at 9:00 a.m.

**Approval of the Agenda**

Nelson moved and Weddig seconded to approve the agenda. Motion carried.

**Approval of the August 16th, 2018 Full Commission Meeting Minutes**

Le Clair moved and Nellen seconded to approve the August 16th, 2018 Full Commission Meeting minutes with an amendment requested by Nelson. Motion carried.

**Report by the Door County Visitor Bureau on Marketing Efforts**

Van Lieshout noted that Moneypenny was attending a meeting for the WACVB. He went on to say that it was his observation that in looking at the tables of reports it may be of benefit to see some graphing so that trends are easier to spot. He felt that a quarterly look at reporting with graphing should be requested.

All agreed that a request for graphing would be appropriate on a quarterly basis.

1 **Report from the Administrator on current activities and issues associated with permitting new**  
2 **members.**

3 Roberts reviewed the number of permit holders for each month who were late to report. She said  
4 that for January, February and March 2018 all properties have reported. There is one (1) to report for  
5 April, she said. May 2018, she said still had three (3) properties to report. She went on to say that  
6 June is down to seventeen (17) properties to report and July first run is already down to fifty one (51)  
7 from the initial eighty one (81).

8 Roberts said that the total outstanding due as of July 18th, 2018 was two thousand two hundred sixty  
9 seven dollars and fifty five cents (\$2,267.55) from eighteen (18) permit holders.

10 Roberts reported that she had permitted sixteen (16) properties since August reporting; nine (9) of  
11 which were permitted through compliance channels. She went on to say that she is currently working  
12 on sixteen (16) unpermitted properties.

13 Roberts reviewed online rental by owner platforms and the corresponding number of listings and  
14 number of un-permitted listings.

15 Roberts updated the Executive Committee that public comment had been submitted to the  
16 Wisconsin Department of Revenue twice. She added that there will be one more opportunity to  
17 comment in November.

18 **Discussion of Current Comparable Occupancy Numbers**

19 Van Lieshout discussed July room tax reporting and noted that there were four (4) weekends in July  
20 this year, last year there were five (5). Additionally at the time of reporting there were 102 properties  
21 to report July. It is already down to 51. This is just the first run, there are a lot more reports to come in  
22 that should positively impact July 2018 reporting.

23 **Consideration of approving reporting and payables plus receipts to date.**

24 **Nelson moved and Maci-Schmidt seconded to approve KerberRose Reports, Payables, and Receipts**  
25 **to Date.** Motion carried.

26 **Consideration and discussion of professional services with regards to advocating for the Commission**  
27 **and member municipality interests in regards to legislative developments.**

28 Van Lieshout said what we are talking about here is the implementation of ACT 59 as a result of the  
29 recent South Dakota vs. Wayfair Supreme Court decision. Van Lieshout noted that the rule making  
30 authority in this case is the WI DOR. He added that Roberts had included in the meeting packet  
31 background as well as the Public Comment that was submitted to the WI DOR.

32 Van Lieshout went on to say that he had arranged a phone call on this issue with Nellen and Roberts  
33 to see how we might effectuate some legislative changes on behalf of our nineteen (19) member  
34 municipalities. That led to a phone call with a lobby group. The lobby group has some particular  
35 insights on how we may work the issue. The more we dig into this and try to generate change the  
36 more we believe that we will not be able to have any significant impact with the Wisconsin  
37 Department of Revenue "WI DOR".

38 Van Lieshout went on to say that in a follow up phone call with Stillman, Anderson, Moneypenny, and  
39 Roberts we talked about how we might engage the WH&LA. They seem to have the ear of a  
40 number of legislators and moreover Pugal is a very skilled lobbyist. It strikes me, he said, that we are  
41 going to have to work with them to include the Tourism Zone in their objectives. In the big picture, we  
42 really have the same objectives: Equitable playfield for room tax collection and remittance. While  
43 they may not care for the Airbnb type properties, certainly our mutual tax collection interests are the  
44 same. He added that we have a tentative meeting with the WH&LA next week to make certain that  
45 they understand the issue and what we are trying to accomplish with the hope of parlaying that into  
46 legislative changes. He reminded everyone that we have also been working with Senator Frostman  
47 and Representative Kitchens as well.

1 Nellen added that this is a very confusing issue. The legislature stepped into this via a last minute  
2 budget bill that was passed in the middle of the night. They slipped in an essential three sentences to  
3 the budget bill to address this issue. He went on to say that the legislation requires the WI DOR to  
4 register Lodging Marketplaces and in turn collect sales and room tax. It went on to say the Lodging  
5 Marketplaces are required to remit the receipts to the room taxes to whatever the local taxing entity  
6 is. Then there was a further sentence to the extent the online Lodging Marketplaces the local taxing  
7 authority has no right to go against the lodging provider (owner). To understand better, this all came  
8 on the heels of the Wayfair decision which said whatever the rules were before to clarify or establish  
9 nexus for sales and use tax has been set aside. Now states are fully entitled to require taxes to be  
10 collected by remote sellers, so all of the states including WI are following the South Dakota model.  
11 Room tax is a separate chapter in the legislature; however our fate is with the WI DOR. The WI DOR is  
12 the fiscal agent for all the remote sellers. The WI DOR doesn't want to get involved in room tax.  
13 Nellen stressed that he feels that we should go directly to the WI DOR and continue to look for friends  
14 where we can find them. The WI DOR has to respond to and comply with the legislature; our hope is  
15 that they can fix it administratively. We need to find someone to engage with us in an honest  
16 conversation. That would give us the correct guidance of where to go next.

17 Weddig felt that this was such an easy technical problem that could be fixed with municipal codes  
18 at the state level.

19 Van Lieshout responded that up until about a few years ago, the state didn't even know how many  
20 municipalities were collecting room tax and what their room tax rates were.

21 Nellen felt strongly if the room tax revenue went to the state, they wouldn't know what to do with it  
22 and we may never see it.

23 Van Lieshout asked for consent and or blessing of the Executive Committee to pack up and get a  
24 meeting with the WI DOR and explain our case as best we can. We would like to ask for their  
25 assistance or at the very least not make things more difficult. Van Lieshout asked that Nellen attend  
26 the meeting and invited anyone else that wants to attend.

27 Nelson agreed that a meeting with the WI DOR should be arranged and we should continue to try  
28 and work on our relationship with the WH&LA.

29 Discussion developed regarding the zip code issues, PRAT tax and programming issues.

30 Van Lieshout said that we may need to spend unbudgeted funds for the engagement services with  
31 regards to advocating on behalf of the Commission and member municipalities not to exceed five  
32 thousand dollars (\$5,000) in order to get a meeting with the WI DOR. We may also need to work on  
33 refining and crafting our message in obtaining support statewide as well as with local boards. It is an  
34 equity issue and a tax issue which may require additional municipal support.

35 **Skare moved and Nelson seconded to spend up to five thousand dollars (\$5,000) for the engagement**  
36 **of services to advocate on the behalf of the Commission and member municipalities with regards to**  
37 **legislative issues.**

38 Roberts asked about the second submission date for Public Comment to the WI DOR. She asked if  
39 she could reach out to the municipalities and request that they send in Public Comment in support.  
40 All agreed that Roberts should reach out to the municipalities and request they submit Public  
41 Comment to the WI DOR. Roberts said she would provide our comment in word format so if desired  
42 it could be edited easily for each municipality.

43 Le Clair said municipalities have to get involved. She added that her town chair felt that it should be  
44 brought up at the next Town's association meeting of the Door County unit. She added that her  
45 board was really well informed with the issue.

46 Skare suggested that this be a Legislative Days Issue and we get in touch with the DCEDC.

1 Nellen suggested that we also are going to have to wait and see what happens with the election in  
2 November.

3 Discussion ensued that this would remain an open issue with the opportunity to research and vet  
4 groups who could best represent the interests of the Commission and member municipalities.

5 **Skare called the question. Nelson seconded.**

6 **Motion to recommend to the Full Commission that we spend up to five thousand dollars (\$5,000) for**  
7 **the engagement of services to advocate on the behalf of the Commission and member**  
8 **municipalities with regards to legislative issues. If necessary additional unbudgeted funds may be**  
9 **utilized for work with Hillstrom PR to refine and craft message for distribution and communication**  
10 **purposes. All ayes.**

11 **Consideration and discussion of a Good Neighbor Policy**

12 Roberts reviewed the background of the proposed Good Neighbor Policy. She noted that these are  
13 being implemented all over the country. She went on to say that she has had some requests from  
14 permit holders for advice or have already established something similar to resolve issues with  
15 neighbors.

16 She stressed that as the market continues to grow in Door County and we want to make sure that we  
17 can ensure that our community who chooses to live here and benefits from tourism will remain an ally  
18 to short term vacation rentals. Some areas are trying to ban vacation rentals due to complaints  
19 which in turn threatens tourism. The best way to alleviate neighborhood tensions towards vacation  
20 rentals is to set expectations and practice "good neighbor" polices that responsibly care for our  
21 communities. She added in a lot of areas, the good neighbor policy is attached as part of every  
22 single rental contract. Roberts stressed this is just a place to start; she hasn't approached the  
23 property management companies. She felt that would be an important component.

24 Van Lieshout said we need to make sure that our residents who make Door County a year round  
25 home have some reasonable expectations that they aren't going to be in the middle of the Jersey  
26 Shore, we don't want that. It is also bad if that sort of environment were to grow here, that could be  
27 bad for property owners who rent their properties. We can effectively wield our nuisance ordinances  
28 without limiting short term rentals. It would be good for us to adopt this policy and encourage our  
29 management companies to utilize the policy.

30 Nelson asked if we are suggesting and encouraging. He felt that this is timely.

31 Van Lieshout replied yes and that this could be adopted by the municipalities and used as part of  
32 their ordinance should they wish to enforce it.

33 All felt that it should be provided to permit holders, municipalities and management companies in  
34 word format to adjust as they see fit. It was also suggested that it be sent to the Sheriff's Department  
35 for endorsement as they field phone calls.

36 **Nelson moved and Nellen seconded to adopt and share the Good Neighbor Policy.** Motion carried.

37 **Consideration and discussion of 2015 policy on minimum financial reserves.**

38 This is a matter of housekeeping and the establishment of a more formal, detailed policy.

39 **Nelson moved and Nellen seconded for Van Lieshout and Roberts to continue to develop the**  
40 **Financial Policy on Reserves to present at a future meeting.** Motion carried.

41 **Report from Commissioners on feedback from local boards on recent issues.**

42 Van Lieshout shared that he had updated his common council with the issues with regard to ACT 59  
43 and that public comment had been submitted to the WI DOR.

44 **Consider motion to convene into Closed Session pursuant to Wisconsin State Statutes, Section**  
45 **19.85(1)(g) to confer with legal counsel for the governmental body who is rendering oral or written**

1 advice concerning strategy to be adopted by the body with respect to litigation in which it is or likely  
2 to become involved; to wit: enforcement actions against lodging providers who have failed to obtain  
3 lodging permits and to timely remit monthly room tax reports and tax payments by roll call.

4 The body reconvened into open session by roll call.

5 Le Clair moved and Nelson seconded to adjourn. Motion carried.

6 Respectfully submitted,  
7 Kim Roberts  
8 Administrator

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1 **DOOR COUNTY TOURISM ZONE**  
2 **FULL COMMISSION**  
3 **CLOSED SESSION**  
4 **Minutes of April 19, 2018**  
5 **City of Sturgeon Bay**

6 The closed session of the Tourism Zone Full Commission was convened by Chairperson Van Lieshout  
7 at the City of Sturgeon Bay.

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8 **Committee Members Present by Roll Call:** Josh Van Lieshout, Bryan Nelson, Elizabeth Le Clair, Bill  
9 Weddig, and Dick Skare.

10 **Also in Attendance:** Kim Roberts/**Administrator**.

11 **Consider motion to convene into Closed Session pursuant to Wisconsin State Statutes, Section**  
12 **19.85(1)(a)(f) or (g) to confer with legal counsel for the governmental body who is rendering oral or**  
13 **written advice concerning strategy to be adopted by the body with respect to litigation in which it is**  
14 **or likely to become involved; to wit: enforcement actions against lodging providers who have failed**  
15 **to obtain lodging permits and to timely remit monthly room tax reports and tax payments by roll call.**

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16 **CLOSED SESSION**

17 Discussion took place in regard to non-compliant properties.

18 The meeting reconvened in open session by roll call vote.

19 Respectfully submitted,



20  
21 Kim Roberts  
22 Administrator

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