



**DOOR COUNTY TOURISM ZONE**

**FULL COMMISSION MEETING**

**Minutes of December 1, 2022 -9:00 a.m.**

**Zoom Meeting conducted from Council Chambers**

**City of Sturgeon Bay – 421 Michigan Street**

7 **ACTION ITEMS:**

8 **Eliot moved and Dannhausen seconded to approve the agenda.** Motion carried.

9 **VanLieshout motioned and Zoeschke seconded to approve the Destination Door County 2023 budget.** Motion carried.

10 **Dannhausen moved and Weddig seconded to approve the 2023 Kerber Rose Engagement Letter.** Motion Carried.

11 **Zoeschke moved and Dannhausen seconded to approve the Door County Tourism Zone 2023 budget as presented.** Motion carried.

12 **Dannhausen moved and Weddig seconded to move into Closed Session.** Motion carried.

13 **Weddig moved and Dannhausen seconded to reconvene into Open Session.** Motion carried.

14 **Eliot motioned and Dannhausen seconded to move forward with the payroll adjustments as suggested.** Motion carried.

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16 **Weddig moved and Dannhausen seconded to adjourn.** Motion carried.

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20 **Committee Members Present by Roll Call:** Josh VanLieshout, Dave Eliot, Bill Weddig, Kate Lindsley, Nedd Neddersen, Richard Young, Kay Englebert, Mary Boston, Myles Dannhausen, Travis Thyssen, Rick Rogers Nancy Robillard, Mary Zeller, Rob Zoschke, Cameryn Ehlers-Kwaterski, Jeanne Vogel, Meagan Sawyer, Keli Groenfeldt, Mary Andersen, Matt Meacham,

21 **Also in Attendance:** Juliana Behme/**DCTZC**, Denise Richardson/**DCTZC**, Julie Gilbert/**DDC**, Michelle Rassmussen/**DDC**, Jon Jarosh/**DDC**, Mary Horton/**Kerber Rose**, Pat Nash, Brittany Nemeth, Jake Sillivan, Theresa, Kristin Dialessi, Ellile Soderberg-Guger, Brent Bristol, Will Craig.

22 **Excused:** Cathy Ward

23 **Call to Order**

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25 Josh VanLieshout called the meeting to order at 9:03a.m.

26 **ACTION ITEMS:**

27 **Eliot moved and Dannhausen seconded to approve the agenda.** Motion carried.

28 **Updates on Tourism Investment Grant Program**

29 Julie Gilbert provided an overview of the presentation as included in the meeting packet and opened up the floor for questions.

30 Meacham asked if the information had already been shared with the commission members. VanLieshout indicated that it had not as it had recently been finalized in November 2022. Meacham

asked why the process was necessary to distribute excess funds. Eliot explained that it was due to being a county-wide collection that the municipalities voted on and that the money sits with DCTZ and DDC. Meacham stated that each municipality would best know how to allocate the excess funds to which Eliot further explained that the funds are intended to go towards tourism and that it was best to allow the "tourism experts" to determine the distribution.

- 31 Dannhausen stated the money is intended to go towards tourism efforts first. VanLieshout added that the approach is to ensure that the quality of life for residents is maintained and improved.
- 32 Groenfeldt asked how it was decided to use the Community Foundation for these funds. Van Lieshout stated that we worked with the DDC to find a third party aside from DDC as to how to best utilize the funds to avoid potential government conflicts that would slow or impede process. He further added that the Community Foundation allowed for a more pragmatic and administrative approach. Eliot added that the Community Foundation can help increase the dollar amount targeted for distribution as they have access to current community needs to help get the right grants.
- 33 Sawyer asked if there is a separate committee to help decide which grants to go after and to recommend direction of funds. Van Lieshout explained that we follow guidelines in the lodging tax statutes, then form a committee that works under the Community Foundation. Sawyer asked if the committee is appointed by the Community Foundation to which VanLieshout replied that it has not yet been decided. Gilbert added that the DDC will continue to provide updates to Commissioners and encouraged questions to be directed to her. Eliot added that DDC has traditionally put the money into typical marketing venues as they have not had the funds in the past to develop anything above and beyond that. Jarosh said that the launch date is targeted for early March 2023 & presentations will be released early in January 2023. April 6<sup>th</sup> is the first deadline date for applications.
- 34 Sawyer said that she would like to be able to explain this program in detail to her Board of Trustees and asked for confirmation that DDC will not have representation on the committee to which Juliana Behme affirmed that they will not. VanLieshout added that once funds leave the Commission and further explained that the purpose of the Community Foundation is to ensure fair distribution of excess funds and to use their leverage and credibility to administer the program.
- 35 Meacham asked if there was a cost for the Community Foundation's efforts. Gilbert replied that the fee is based on revenue and is used for administrative costs. Eliot added that the fee is not taken from the initial investment as it is considered to be somewhat "endowed."
- 36 Thyssen questioned as to whether there were special written criteria as to what gets spent first and whether or not the funds were budgeted. VanLieshout stated that the funds were budgeted through DDC and that the process includes a special project application on the recipient side in order to use some of the funds. Eliot added that much hinges on what the project entails as to whether to raise the funds through the foundation so that they can be invoiced and paid. The goal is to ensure that the funds go to the appropriate project. Thyssen stated that his opinion was that consideration be given to using the funds for whatever the municipality needs. Gilbert reiterated that the municipality can apply each quarter, but not twice in the same quarter to ask for consideration.
- 37 Zoeschke stated that it might behoove the municipalities to look at their capital plan as well as long as the project in question fits what the funds are intended for. Thyssen also questioned if there was anything written with regards to a more collaborative effort such as several communities getting together for one large project to benefit all. VanLieshout affirmed that projects that benefit more than a single municipality will be considered. Eliot mentioned that the rewards would be greater when partnering with other communities on a single project. Jarosh added that DDC will be reaching out to clerks to get on meeting schedules with the municipal boards to present the program in person in Q1 2023.
- 38 Meacham asked when the Commissioners see final data. VanLieshout and Gilbert concurred that the

data should be available in the next 30 days. Meacham asked again for clarification regarding DDC's part in the overall evaluation process. VanLieshout referred to pages 14, 15, 16 in the DDC's presentation for all details and added that the targeted grant award is \$100k. Eliot reiterated that the criteria was set to be as inclusive as possible, while staying within state statutes to reward the municipalities and charities.

39 Weddig suggested consideration be given to innkeepers with regards to the 3% credit card fee expense. Maybe there is a way to consider granting a portion of credit fees to innkeepers? VanLieshout suggested that this suggestion be put on a future agenda for discussion. Eliot stated that this money is regarded as "extra" and is intended for our community to offset the impact that tourism has in Door County. VanLieshout referred to pages 1-16 of the program summary and suggested that this be shared as most questions are addressed there.

#### 40 **Destination Door County Quarter Three Report Review**

41 Julie Gilbert provided highlights from Q3 2022.

#### 42 **Presentation of the Destination Door County 2023 Strategic Plan**

43 Julie Gilbert and Jon Jarosh provided an overview of the presentation included in the meeting packet.

44 Zoeschke asked a question on behalf of Door County residents. Is the goal of the Community Outreach Program to preserve well-being in the County or to increase visitation – especially in "shoulder seasons?" This is a bit of a conflict as many residents who look forward to time off in shoulder seasons so that they can enjoy time in the community with their families will not want to work. VanLieshout asked Gilbert how value-based marketing differs from what has been done in the past and to define "value." Gilbert thanked Zoeschke for the feedback and added that DDC will take this into consideration going forward. Gilbert explained that value-based marketing targets a certain type of visitor that aligns with Door County's sustainability plans to preserve the local environment as it targets visitors who engage in outdoor activities. Gilbert added that value-based marketing is aimed at visitors who share similar values with local residents and will take care of Door County as they actually live here. VanLieshout asked if we can expect a positive economic impact in conjunction with the sustainability efforts to which Gilbert replied, "yes."

45 Meacham asked if we are trying to attract visitors who are aligned with the Core Values in conjunction with the "Take the Pledge" campaign and if so, how many people have actually taken the pledge as it was his understanding that not that many people have actually signed up. Rasmussen and Gilbert both stated that the Pledge was part of the program, but just one component of the plan.

#### 46 **Consideration of Destination Door County 2023 Budget**

47 VanLieshout said that many questions were received for Gilbert to address, and he selected a few high-level questions for discussion.

48 VanLieshout referenced page 3 of Gilbert's response and asked Gilbert to elaborate on the Community Outreach Program's goals for 2023. Gilbert stated that the main goal is to maximize the benefits of tourism on the local economy through face-to-face meetings, newsletters, and more communication overall. Jarosh noted a line item increase from previous years is intended to promote community advocacy.

49 VanLieshout asked Gilbert to provide a high-level explanation of SCP funds (page 6). Gilbert explained that when the room tax increase from 11% to 19% was proposed, the supplemental amount was brought to \$1M (66% collected in 2020 & 2021), so DDC is forecasting over \$1M going forward to ensure that the DDC can fund the municipalities. Eliot added that the consideration to include the room tax in annual

budgets and used the numbers from 2 years ago in order to not have to deal with highs & lows that occurred in 2020 and 2021.

- 50 VanLieshout referenced page 4 that addressed in-house publications and asked if this category is intended to provide additional revenue or if its just "telling a story." "Is it like going from an ad in the phone book to something else?" Rasmussen explained that the goal is to shift from simple phone book listings to provide more of a story while highlighting local businesses – rather like an ad that tells a story to drive consumers to individual websites. VanLieshout asked if this means that you could buy a story in the Door County Guidebook. Gilbert stated the guidebook will be based more on editorials and top-line functions that includes inspirational stories. Rasmussen added that historically, DDC only talked about DDC paid members, but now it's open to everyone.
- 51 VanLieshout noted that the Guidebook had a loss of \$100K this year for production and asked Gilbert to explain what systems are in place to measure ROI so that changes can occur to avoid further losses going forward (reference page 11). Gilbert said that ROI will be shown in room revenue and online media performance increases. Rasmussen reiterated that utilize data from the website that will tell DDC who is looking to visit Door County, where they are coming from, how far in advance they are booking, how long they stayed, etc. Gilbert added that the DDC will make sure they are optimizing engagement and attribution on direct media efforts and if something does not appear to be working, make a shift.
- 52 Neddersen referenced the bottom of page 10 and asked how the new room tax is being optimized to improve sustainability efforts and quality of life, noting \$3.375M is comprised of: \$1M grant, \$1M community business associations, and \$375K administrative costs. Neddersen said that he did not think that tax dollars would pay for business association and administrative costs. Eliot stated that the \$1M (19%) community and business association amount was presented, and the funds now stay in the community. The \$375K was presented so each municipality would not have to cover these costs. Eliot added a reminder that DDC has lost membership contributions. Neddersen said that he agreed and said that he thought the 8% was going to be budgeted. Eliot affirmed that 19% should be budgeted and not based on previous years.
- 53 Meacham asked for an explanation of the \$12,000 allocated for "mental health." Gilbert said that pertained to expenses for off-site retreats, team building, etc. for DDC staff members.
- 54 **VanLieshout motioned and Zoeschke seconded to approve the Destination Door County 2023 budget.**  
Motion carried.
- 55 **Report by Destination Door County on marketing efforts.**
- 56 In the best interest of time, Gilbert referred to the Executive Summary included in the meeting packet.
- 57 **Report from Administrator.**
- 58 Juliana Behme provided highlights and updates for Door County Tourism Zone efforts. VanLieshout asked Behme to elaborate of who are the "wholesalers" and what the challenges are with dealing with them. Behme explained that wholesalers are those that engage with timeshares and stated that they are very difficult to cache due to third-party security and privacy standards. Behme stated that a more legal approach is needed to reach out to owners to get permitted as many refused stating that they are under contract with the wholesaler, and they do not need a permit. VanLieshout said that we should start with the owners and work our way up. Behme said that she is looking into agreements with large wholesalers.
- 59 **Discussion on the current comparable occupancy numbers.**

60 Mary Horton provided a summary of current comparable occupancy numbers for the month of  
September 2022.

61 **Consideration of the 2023 Kerber Rose Engagement Letter.**

62 VanLieshout provided a brief history of the DCTZ's relationship with Kerber Rose and asked Mary Horton if  
she had anything to point out. Horton noted that Kerber Rose increased their rates from \$95 to \$115 per  
hour for 2023 but added that the DCTZ reduced paper and filing fees will result in 300-400 less hours in  
2023 which should result in savings at year-end. All other services provided by Kerber Rose remain the  
same for 2023.

63 **Dannhausen moved and Weddig seconded to approve the 2023 Kerber Rose Engagement Letter.**  
Motion Carried.

64 **Consideration of the 2023 Door County Tourism Zone Budget.**

65 Behme provided a high-level overview of the proposed 2023 budget. VanLieshout added an  
explanation of the line item that addresses being insured and pointed out that DCTZ is insured, but  
additional coverage for digital crime and fraud was needed at a cost of \$3,900. Behme explained that  
coverage will likely being in February 2022 as we are working on the new website which is required to  
have dual authentication due to storing bank information in profiles.

66 Dannhausen asked for the total cost of administration compared to tax collections. VanLieshout and  
Behme calculated this at approximately 3.4%.

67 **Zoeschke moved and Dannhausen seconded to approve the Door County Tourism Zone 2023 budget  
as presented.**

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69 **Dannhausen motioned and Weddig seconded to move into Closed Session.** Motion carried

**Consideration of adjournment in to 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 report and tax payments.**

74 **Weddig moved and Dannhausen seconded to reconvene into Open Session.** Motion carried.

75 **Eliot motioned and Dannhausen seconded to move forward with the payroll adjustments as suggested.**  
Motion carried.

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77 **Weddig moved and Dannhausen seconded to adjourn.** Motion carried.

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**DOOR COUNTY TOURISM ZONE  
FULL COMMISSION MEETING  
Minutes of December 1st, 2022-9:00 a.m.  
Zoom Meeting conducted from Council Chambers  
City of Sturgeon Bay - 421 Michigan Street**

103 The closed session of the Tourism Zone Executive Committee Meeting was convened by Dave Eliot  
104 **Committee Members Present by Roll Call:** Josh VanLieshout, Dave Eliot, Bill Weddig, Nedd Neddersen,  
Myles Dannhausen, Mary Boston, Travis Thyssen, Richard Young, Rob Zoschke, Mary Zeller, Matt  
Meacham, Jeanne Vogel, Keli Groenfeldt

105 **Also in Attendance:** Juliana Behme/**DCTZC**, Denise Richardson/**DCTZC**

106 **Consideration of adjournment in to Closed Session pursuant to Wisconsin State Statutes, Section 19.85(1)(g)**  
107 **to confer with legal counsel for the governmental body who is rendering oral or written advice concerning**  
108 **strategy to be adopted by the body with respect to litigation in which it is or likely to become involved; to**  
109 **wit: enforcement actions against lodging providers who have failed to obtain lodging permits and to timely**  
110 **remit monthly room tax report and tax payments.**  
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113 **CLOSED SESSION**

114 Discussion took place regarding compliance and enforcement issues.

115 **Weddig moved and Dannhausen seconded to reconvene into Open Session.** Motion carried.

116 **Eliot motioned and Dannhausen seconded to move forward with the payroll adjustments as suggested.**  
Motion carried.

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118 **Weddig moved and Dannhausen seconded to adjourn.** Motion carried.

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120 **Meeting adjourned**

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122 Respectfully submitted,  
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124 Denise Richardson  
125 Assistant Administrator