

**Accommodations Tax Committee Meeting
February 13, 2013, noon
Crawford Meeting Room
124 10th Street**

1. Call to order.

The meeting was called to order at 12:15pm.

Committee members present: Larry Mashaw, Kenny Reisman, and Cari Hermacinski. Tom Ptach, Scott Marr and Frank Alfone were absent.

City Staff present: Deb Hinsvark, Interim City Manager; and Julie Franklin, City Clerk.

Mashaw noted that Frank Alfone no longer works in the resort industry and therefore has withdrawn from the Committee. Mashaw noted that he knows of 2 people who are interested (representing the lodging community) in stepping in and completing the process. He will get that information to the Committee.

2. Approval of January 23, 2013 minutes.

MOTION: Reisman moved and Hermacinski seconded to approve the January 23, 2013 minutes. The motion carried 3/0.

3. Discussion of combining smaller proposals.

Hermacinski noted that it may be difficult to combine proposals because they each have their own unique ideas. Mashaw agreed, noting that the proposals are very specific.

3. Review of questions for Accommodations Tax Proposers.

Mashaw stated that he does not think that the voters envisioned saddling the City with a General Fund "albatross". Hermacinski agreed that the idea that these projects would be "thrown back" on the City's General Fund is inconceivable.

Mashaw stated that he would only consider giving more money to Haymaker if it was recognized that it would not be an ongoing subsidy. It would have to pay for itself. He also noted the need to make sure that whatever is built with this money does not fall into disrepair. He would also like to make sure that the next proposal does not make the same mistakes as Haymaker. Reisman agreed and noted that Haymaker is creating questions for the new proposals.

Hermacinski spoke to proposals bonding against the tax revenue and asked if a project were approved how would the City guarantee that a future Council would

not take the money back. **DIRECTION:** Lettunich to research this topic.

The following questions will be added to the ones already provided by the Committee.

Friends of the Yampa:

Hermacinski would like the proposal to be more specific about how much money is needed a year and over how many years.

Reisman would like them to rank the order of the projects.

Also add the following question for all the proposals:

Do you intend to bond against the revenue stream?

It was noted that there needs to be a way to protect the decision. The approval of the appropriations could be taken to the voters. Hermacinski believes that going to the voters would be a good “loop around” to make sure that the project has citizen support.

Hinsvark noted that it would be better for the City to bond. Hermacinski asked if there are any projects that the City would not administer where the City would just hand the money over. Hinsvark stated that this is possible but there would need to be agreements in place. She also noted that if a project is bonded then 85% of it needs to be complete in 36 months. She stated that the Committee should pick the best project and let the investment bankers advise us on how to fund it.

It was noted that if a project does not bond it may be in danger of losing the money and if it does bond will have to go to the voters to get the project approved. A question for legal: Is there any way, other than bonding, to lock in the money?

Another question to add for all proposals: At what year would your project be completely self sufficient and not using the tax stream?

Haymaker:

When will the course break even? At what point will the golf course not need taxpayer assistance?

Howelsen Hill Sports Complex:

Mashaw noted that some of the components of this project are more user group based.

Rank your projects based on the ability to meet the ballot language.

Old Town Hot Springs:

What sort of out of town marketing do you do for the facility?

Add for all proposals: When this project is done, whose responsibly would future maintenance needs be?

Open Space:

When will this project hit diminishing return, convince the Committee that we are not already there.

How will this project promote tourism and enhance Steamboat Springs?

The Chief:

If you were to sell the facility, would the City get return on investment? (Also add this question to the Old Town Hot Springs.)

Trails Alliance:

No additional questions.

Yampa River Park:

No additional questions.

4. Review of upcoming meeting schedule.

The next meeting will be March 13, 2013, followed by the presentations on March 20 and 21, 2013.

5. Adjournment.

The meeting adjourned at 1:31pm.

MINUTES PREPARED, REVIEWED AND RESPECTFULLY SUBMITTED BY:

Julie Franklin

Julie Franklin, CMC
City Clerk

APPROVED THIS 13th DAY OF March, 2013.