

**Accommodations Tax Committee Meeting
April 17, 2013, Noon
Crawford Meeting Room
124 10th Street**

1. Call to order.

The meeting was called to order at 12:04pm.

Committee members present: Larry Mashaw, Cari Hermacinski, Tom Ptach, Scott Marr, Mike Lomas and Kenny Reisman.

City Staff present: Deb Hinsvark, City Manager; Tyler Gibbs, Director of Planning and Community Development; Kim Weber, Director of Finance; Winnie DelliQuadri, Government Programs Manager; and Julie Franklin, City Clerk.

2. Approval of March 20, March 21, March 26, and April 3, 2013 minutes.

MOTION: Ptach moved and Hermacinski seconded to approve the March 20, March 21, March 26 and April 3, 2013 minutes. The motion carried 6/0.

3. Committee discussion of remaining proposals.

Ptach stated that he is very concerned with the Howelsen Hill Complex and the additional expense to the City, though there are aspects that make sense. The gravity center could be done through a public/private partnership.

He believes that the Yampa River Park gives the greatest impression the quickest, but he would like to see something like a URA or TIF to funnel money back into the tax.

The Chief was given a lower priority due to the private ownership; however he thinks there may be a solution to fund Yampa River, The Chief and Trails. He wonders if there could be some trail improvements every year without committing excess revenues. He stands with the previous decision on Haymaker.

Marr stated that he is only considering the Yampa River Park and Trails. Yampa River is a great project but he struggles with taking money generated on the mountain and spending it downtown. He would feel more comfortable if downtown property owners made a contribution or match. With respect to trails, he asked if we have the ability to invest enough money to create a tourism demand situation. He spoke to how to get away from event driven tourism. He

thinks that the trails project could do that, but he wants to be convinced.

Lomas stated that his passion has moved to the trails project, as long as it includes the core trail and trails for families. He also has a passion for the rodeo arena and events like the cutters. He shares Marr's concern about the Yampa River Park and having lodging tax money spent downtown. He ranked the projects as trails first and a portion of Howelsen Hill (Rodeo) second.

Reisman spoke to the goal of getting "heads on beds" and getting people to stay longer. He thinks that the Howelsen Hill Complex project is too big and asked about doing just rodeo and trails.

He thinks that the trails project makes sense. If the appropriate amount of money is spent it could put Steamboat Springs "on the map" for 7 months out of the year. People may not come to town because of it, but once they get here it is a bonus and they will stay longer. He noted the need to discuss the Federal application process.

The Yampa River Park could be the ultimate satisfier but does it extend a stay? He believes that a lot can be done with Yampa Street before we do a promenade, for example we could eliminate parking on one side of the street. Also, there are events on the street already and the BID outcome is a "hiccup". He would like to talk more about the number and splitting it up, but his first ranking is the trail project.

Hermacinski ranked Yampa River Park first and the Trails Alliance second but stated that together they have synergy. Yampa River is a quick build out with instant gratification and she likes that it would be publicly owned. She agrees about the BID and suggested making the bond contingent upon the BID passing. If the property owners will do 1 to 1 match with the bonding it would free up money to go to trails. With money from downtown owners and a BID and not going for the full 15%, putting 7.5% to Haymaker the other 7.5% could be put "back into the mix". She likes the leveraging potential of trails and the low risk, no bonding project and that Ski Corp. is on board. She believes that both projects allow events but at the same time move away from event driven tourism.

Mashaw likes the Yampa River Park and Trails projects together but is still thinking about the benefit of "going big" on one project, in which case there would not be enough money for trails. He thinks that the Yampa River Park is great but only 50% of the community benefits. He believes that it is inappropriate for the accommodations tax to pay for the entire project, short of upkeep.

He's not sure it is realistic that there will be enough money for trails and noted the need to buy certain pieces of property and identify which trails satisfy a more core demographic.

Hermacinski noted the need to have more concrete information on the trails project in order to take it to the ballot.

Ptach thinks that both the Park and trails can be done. With the Park the first issue is the purchase of land, and then there is the TDR possibility and also condemnation. That money could be given to trails. He spoke to the trails priorities (unauthorized trails, Morning Gloria and the Walton Rim trail) and stated that there would be 3 years of permitting with the Forest Service before the project could start. In that time the excess funds would build up. We can bond with the excess to do more trails.

Mashaw stated that anything related to the core trail is very expensive and could not be done if combined with the Yampa River Park.

DelliQuadri provided information on grant options for the Yampa River Park, Howelsen Hill Complex and the Trails Alliance.

She noted that GOCO has specific opportunities for trails in a special opportunity round which kicks off the first week of May. The GOCO Board also approved a second special opportunity round of funding for trails. This is significant and in this special round they want grant requests for \$1 million for large trail segments with a 70/30 match.

Another trail grant opportunity is for "Map 21" where all sources are combined for a 3 year application cycle. This will happen in the fall and is for \$200-300,000 per project.

There are Federal lands access funds to develop trail heads that provide access to Federal lands. May 15 is the application deadline and there won't be another round for 5 years.

Lastly, there are State trail grant rounds every fall. The trails grants could apply to both the Trails Alliance and the trails at the Howelsen Complex.

For Howelsen Hill Complex the outdoor elements like rodeo and the ski hill qualify for the GOCO regular grant round. It may, or may not cover the gravity center as portions of this would be indoors.

Yampa River Park could also acquire GOCO funds for parkland or active recreation. This would be capped at \$350,000 and is very competitive. The minimum match is 70/30.

DelliQuadri noted that the timing for grants is not instant and needs to be mapped out. She will map out all grant opportunities, matches and leverages. She noted that on the trails side if we defer then we loose out on leverage money.

Scully clarified that if the YVEA property was not purchased and they did everything else, assuming donations, the project could come in under \$350,000 a year. A major property owner has agreed to give \$10,000 a year for maintenance in perpetuity so it gets closer to 50/50.

Reisman stated that leveraging dollars is very important, but is not guaranteed. Marr asked if we only funded \$250-300,000 a year to trails, would that get us where we want to be?

Meyer stated that it can be done smaller, but we miss out on the bigger trails. Fenton stated that it would be a major statement for the City to dedicate money to biking which would lead to leveraging opportunities. It would drive events and get IMBA's attention. Meyer stated that that amount would get a lot of dirt trails, but not a lot of the in town stuff and we need to "go big" in order to be world class. Some projects will happen right away like Buffalo Pass and Mad Creed and the Walton Rim trail will be talked about nationwide.

Reisman would like to give all the funds to trails or all to Yampa River Park. He believes if the money is split it will not be maximized.

Ptach stated that his concern with the trails project is the shifting demographic. Will it be a "big bang" for 10 years and then shift? The Yampa River Park is passive recreation and he thinks both can be done. Reisman stated that he is not worried about a demographic shift with the trails project because it includes urban trails.

Mashaw agrees with the need to "go big". The Yampa River Park appeals to the broadest spectrum, but it can also be achieved through other avenues.

Informal poll:

Lomas: Trails Alliance

Marr: Trails Alliance, but would like to split money

Mashaw: Trails, but possibly split

Hermacinski: split between trails and Yampa Park

Ptach: split trails and Yampa Park

Discussion commenced on: a BID, the potential of "pitting" one group against the other until the election, and looking at the numbers in terms of bonding.

Meyer noted that the core trail portion of the trails project works well with the special GOCO funding round.

Lomas stated that he is "trails all in". Hermacinski asked what would happen if the Forest Service denied access. Meyer spoke to cost sharing and special permits and stated that there are ways to ensure access. If you go through the

proper process the odds of losing access are slim. Reisman stated that she spoke with Kent Foster of the Forest Service, who said the same thing. Access is intended as a long term commitment.

Mashaw noted the need to have a better understanding of the Trails Alliance process because it is too vague.

Hermacinski asked if the Committee goes “all in” for trails and bonds for 10 years to get \$3 million, who makes the choice of what gets built? It was noted that there would be a committee of stakeholders appointed by the City Council to make the decisions. The same for Yampa River Park if that were selected.

Mashaw suggested putting \$500,000 to trails, \$100,000 into a reserve for the “next great idea” and \$50,000 to Haymaker.

The Committee agreed to recommend to Council 90% to trails, 5% to Haymaker and 5% to a reserve.

4. Adjournment.

MOTION: Hermacinski moved and Reisman seconded to adjourn at 2:15pm. The motion carried 5/0.