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Amendment No. 1 to Tourism Services Agreement Between the City of Manitowoc, City of Two Rivers, and the Manitowoc Area Visitor and Convention Bureau

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Whereas, the City of Manitowoc and the City of Two Rivers (hereinafter collectively referenced as "the Cities") and the Manitowoc Area Visitor and Convention Bureau ("MAVCB") on May 31, 2011 entered into a Tourism Services Agreement ("the Agreement") for the term January 1, 2012 through December 31, 2016; and

Whereas, that Agreement provides, among other things, for the payment of certain portions of the Cities' respective Room Tax revenues to the MAVCB, for services as specified in the Agreement; and

Whereas, each of the Cities has, by action of its council taken on July 30, 2012, adopted an amendment to its room tax ordinance, increasing the room tax rate in each of the Cities from six percent to eight percent, effective January 1, 2013; and

Whereas, the Cities wish to address the distribution and use of the additional revenues attributable to this increase in their room tax rates;

Now, therefore, it is agreed to amend the Agreement as follows:

The additional revenues collected by the Cities, attributable to this two percent increase in their Room Tax rates, shall be distributed in the manner set forth below, consistent with Wisconsin Statutes, Section 66.0615:

--70 percent of such revenues shall be forwarded to the Manitowoc Area Convention and Visitor Bureau, Inc., for the purpose of funding additional tourism promotion and development activities consistent with the terms of the Agreement.

The Cities each agree to forward such revenues to the MAVCB within 30 consecutive calendar days following the monthly due date for the collection of room taxes. All other revenues shall be forwarded as set forth in the Agreement.

--30 percent of collections shall be retained by the municipality where collected. These funds shall be used by the Cities for the following purposes, as authorized through their respective municipal budgets:



- a. To provide grants to local not-for-profit organizations that provide tourism-related services or operate and maintain tourism-related facilities. Such grants may be for capital projects or for special advertising, marketing and promotion activities that are above and beyond the recipient organization's usual budget for such activities. Such grants shall not be used for operating expenses.
- b. To make capital investments in municipally-owned facilities that have a significant tourism benefit, such as beaches, bike trails, parks and cultural institutions.

- c. To fund tourism advertising, marketing and promotion expenses incurred by the municipality.

In the event that Wis. Stats. § 66.0615 is amended, the Cities reserve the right to change their funding of MAVCB to be consistent with state law.

Further, the Cities hereby state their intent to coordinate tourism promotion and development activities in the Manitowoc-Two Rivers area through an *ad hoc* marketing committee, to include representatives of the Cities, the Manitowoc Area Convention and Visitor Bureau, the Chamber of Manitowoc County, the Economic Development Corporation of Manitowoc County, Mainly Manitowoc, Inc. and Two Rivers Main Street, Inc. The MAVCB agrees that its President or his designee shall participate in meetings of this committee.

Said committee shall assist the Manitowoc Mayor and Two Rivers City Manager by advising on and reviewing the proposed uses of all room tax funds that are retained by the Cities in their respective executive budgets, and shall present written recommendations to the Manitowoc Common Council and Two Rivers City Council for their consideration. The intended purpose of the committee is to facilitate cooperation and coordination among the Cities and the various organizations comprising the committee in their promotion and development efforts. The *ad hoc* committee shall have no authority to spend City room tax funds without the approval of the respective Council

All other provisions of the Agreement shall remain in full force and effect.

Approved this 30th day of July, 2012.

CITY OF MANITOWOC

By: Justin M. Nickels
Justin M. Nickels, Mayor

7-31-12
Date

By: Deborah Neuser
Deborah Neuser, Deputy City Clerk

7-31-12
Date

CITY OF TWO RIVERS

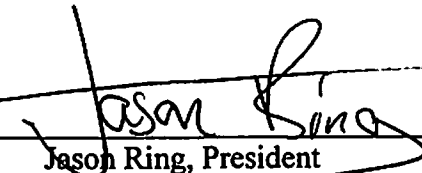
By: Gregory E. Buckley
Gregory E. Buckley, City Manager

7-31-12
Date

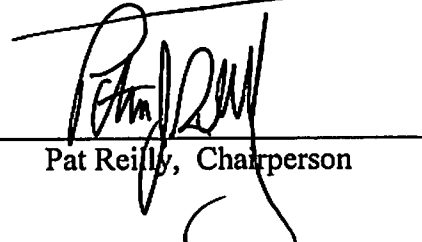
By: Kim M. Graves
Kim M. Graves, City Clerk

7-31-12
Date

MANITOWOC AREA VISITOR AND CONVENTION BUREAU, INC.,
F/K/A MANITOWOC VISITORS AND CONVENTION BUREAU, INC.

By: 
Jason Ring, President

7-31-12
Date

By: 
Pat Reilly, Chairperson

7-31-12
Date

Drafted by: Greg Buckley, City Manager
City of Two Rivers