

## RESOLUTION NO. 121-95

### AUTHORIZING THE VCB TO ENTER INTO CONTRACTS FOR ITS SERVICES

#### Recitals.

The Board of Directors of the Visitor and Convention Bureau (VCB) began discussions of expanding the VCB's marketing programs in response to inquiries from lodging properties outside the Grand Junction city limits. Those properties expressed an interest in participating in specific VCB marketing programs.

After conducting a survey of Grand Junction lodging properties and thorough discussion, the Board has concluded that there is strong support for these properties to be included in the VCB's marketing programs. The Board saw this as an opportunity: for the consumer to have the most complete representation of the Grand Valley product; to address the inquiries of lodging properties wishing to participate; to create a mechanism for such interested properties to contribute to the cost of marketing programs which have historically (indirectly) benefitted such properties.

The Board conducted a survey of City lodging properties to gain their input and advice on how to proceed with this issue. Responses were received from 13 of 33 properties representing 1260 hotel rooms, or 55% of the Grand Junction hotel inventory. Eleven of the 13 properties approved of expanding the VCB's marketing efforts to include outside entities. Upon review of the survey responses and comments, the Board believes a consensus exists to proceed and develop this program.

The Board believes that, conceptually, including such properties is in the best interests of the VCB. The Board recommends that an equitable contribution, which should be paid to the VCB in return for receiving the benefit of the VCB efforts, would be the same as the existing lodging tax, *i.e.*, three percent (3%) of gross revenues received from lodging sales.

The direct benefits to participating properties include:

- listing in the 325,000 Visitor Guides printed and distributed each year
- receiving group sales leads
- a listing on the Internet website (opportunity for expanded listing)
- inclusion in Facilities Guide (if property has meeting space for at least 25 people)
- phone number given to callers requesting lodging suggestions
- property's own brochure displayed in Visitor Center
- VCB promotional material to distribute
- opportunity to participate in special advertising packages and trade shows (for fee)

- access to educational seminars and research sponsored by VCB

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO:**

That the Director of the Visitor and Convention Bureau is authorized to contract with persons owning property without the City's limits to exchange the efforts of the VCB in return for three percent (3%) of gross revenues received from lodging sales.

Such contracts shall incorporate the following terms and provisions:

1. All lodging properties in Mesa County will be offered the opportunity to contract with the VCB in this endeavor.
2. The contracts, and this program, shall initially be for one year. The Board shall evaluate the program by September of 1996. The success of the program will be evaluated based on at least the following factors:
  - a. groups booked as a result of VCB sales leads;
  - b. impact on occupancy of lodging businesses within the City; properties without the City will be included in such survey;
  - c. consumer response to the additional visitor information included in the 1996 visitor guide.
3. A non-refundable deposit of \$500 will be required of each contracting owner.
4. Failure to comply with the terms of the contract will result in removal of a property from the VCB's marketing efforts for the next year and possibly longer.
5. The contract will contain provisions allowing the City to audit the books and records of an owner to ensure compliance.
6. Notwithstanding any provision to the contrary, the Director may, without cause or reason being stated, decline to enter into any contract authorized by this resolution.

**PASSED** and **ADOPTED** this 6th day of December, 1995.

Attest:

/s/ Ron Maupin  
President of the City Council

/s/ Stephanie Nye  
City Clerk