

VISIT GRAND JUNCTION  
BOARD OF DIRECTORS SPECIAL MEETING

March 1, 2018

DoubleTree Hotel  
743 Horizon Dr.  
Grand Junction, CO

PRESIDING: Julie Shafer

MEMBERS PRESENT: Elizabeth Hallgren, Susie Kiger, Brad Taylor, Paul Petersen, Josh Niernberg, Tammy Anderson, Kevin Reimer, Britt Mathwich

MEMBERS ABSENT: None

COUNCIL MEMBERS PRESENT: Phyllis Norris

STAFF PRESENT: Barbara Bowman, Kim Machado, Greg LeBlanc

OTHERS PRESENT: Doug Russo and Shana Martin – DoubleTree Hotel, Darshann Ruckman – Clarion Hotel, Vera Kusal – Horizon Drive District

The meeting began at 3:30 p.m.

Lodging Tax Increase Discussion

Brad Taylor mentioned that he was present at the Grand Junction Regional Air Service Alliance (GJRASA) meeting that morning where they discussed and recently recommended to City Council through a letter to ask voters to increase the lodging tax and provide a portion of the revenue for minimum revenue guarantees to their organization. The group is looking at a 1% portion of the total potential increase. Barbara Bowman added that the GJRASA also recommended speaking with hoteliers to get their input on a potential increase.

Brad and Julie Shafer reviewed the history and timeline of past lodging tax increase discussions. In September 2016, the Board recommended a 3.75% increase. Julie mentioned that the current group of stakeholders (representatives from the Grand Junction Chamber of Commerce, Greater Grand Junction Sports Commission (GGJSC), the City and Visit Grand Junction Board of Directors) has proposed a 3% increase in the lodging tax. Recommended allocations include, 0.75% support for the GGJSC, 1% for airline support through minimum revenue guarantees, and 1.25% additional support for VGJ's marketing efforts.

Brad asked for comments from the lodging properties in attendance. Darshann Ruckman, General Manager of the Clarion Inn, expressed concern that the hotels have not been included enough in the discussions relating to increasing the lodging tax. Doug Russo, General Manager of the DoubleTree Hotel, commented that more than 1.25% of an increase should be allocated to VGJ's marketing efforts.

Josh Niernberg commented that he still is in favor of a 3.75% increase where VGJ would receive 2% for additional marketing to increase our competitiveness in the market. Kevin Reimer suggested adding additional seats to the VGJ board with representatives from the GGJSC and GJRASA to assist with making recommendations on funding with the additional funds from an

increase in the lodging tax. Phyllis Norris commented that any tax collected should be approved by elected officials on how it should be spent.

After further discussion, the Board was in favor of a 3% increase in the lodging tax and that the increase be allocated as follows:

- 2% be designated to the total budget of Visit Grand Junction to support expanded regional and national marketing, sustainable funding to support the marketing efforts of the Greater Grand Junction Sports Commission and additional funding for special events.
- 1% be designated towards the efforts of the Grand Junction Regional Air Service Alliance for minimum revenue guarantees, as needed, to increase direct air service to feeder markets such as Los Angeles, Chicago, and/or similar cities to be determined based on market research.

The Board was also in favor of adding two additional seats to the board with representation from the GGJSC and GJRASA.

Staff will draft a letter outlining the Board's recommendations to City Council. Julie and Brad will review the letter before it is included in the packet for the City Council workshop on March 5.

The meeting adjourned at 5:14 p.m.