

Richland County Committee

Agenda Item Cover

Agenda Item Name: Tourism Director Funding

Department	Administration	Presented By:	Marty Richards
Date of Meeting:	18 June 2021	Action Needed:	Vote
Disclosure:	Open Session	Authority:	Structure E
Date submitted:	19 June 2021	Referred by:	
Action needed by no later than (date)		Resolution	<u>N/A</u> , prepared, reviewed

Recommendation and/or action language:

Motion to ... recommend resolution to the County Board to partner with the City of Richland Center in a Tourism Coordinator Position, effective January 1st 2022.

Background: *(preferred one page or less with focus on options and decision points)*

Following is a proposal, with the return on investment included, for the City of Richland Center and Richland County, partnering to move forward with a joint Tourism Coordinator.

Over the course of the past 3 years we have seen one of the most dynamic economic growth areas of this county is through tourism. For example, the number of short-term rental properties (those private residences offered for rent less than 7 consecutive days) has grown exponentially. These were identified on platforms such as Airbnb, HomeAway, and VRBO:

- 2018, 13 properties
- 2019, 27 properties
- 2020, 33 properties

These figures also correlate with the growth in sales tax receipts in Richland County:

- 2018, \$1,171,520
- 2019, \$1,191,815
- 2020, \$1,271,784

This is not to assume that all of the county sales tax increase can be explained by the growth of short-term rentals but we will argue this is one reason for sales tax revenue growth in a county with both flat population and household income growth rates. I also have had multiple parties contact us who are starting new short-term rental properties in 2021 not to mention the upcoming Grand-Opening of the wedding and short-term rental venue “Chapters In Our Lives” in Richland County.

A large factor for the increased visitor traffic has been the additional work over the past three years by Richland Center Tourism. RC Tourism has taken many large-scale efforts to bring our whole county area, including the outlying villages and tourism-related businesses, to our most likely visitors. Efforts include the 2019 Discover Wisconsin episode and our ongoing video efforts. We have completed over 100 different videos that feature businesses, places, and names, of our area and find those businesses directly prosper as a result of these efforts. In the fall of 2020 we produced 4 different “Behind-The-Scenes” videos for Oakwood Fruit Farm showing their apple packing and processing operations that they were able to share through their social media efforts. They have anecdotal evidence that this indeed increased

Richland County Committee

Agenda Item Cover

their traffic this past fall as a result. We have showcased other tourism-related businesses and they have mentioned increased awareness as a benefit of these episodes.

Through our “Why Do We Call It That?” series on average we have over 2,500 viewers of each of these episodes. We have had episodes with over 10,000 viewers each of the Yuba and Lee Lake episodes. The bulk of these viewers live in metropolitan areas such as Milwaukee, Chicago, and Madison. Our goal has been to show off the beauty of the area and give potential visitors a sneak peak of our county, just enough to entice them to come check us out.

A drive past a Pine River kayak landing last year would show license plates from 4 different states quite frequently and on my own I would stop people on the Pine River Trail and find bikers and hikers from Madison, Rockford, and Minneapolis. The Airbnb property we (Marty and Teri Richards) own was full this January and February, in some of the coldest weather we had to offer this winter. Two different groups went bowling, went to the movie theater, and went to the roller rink during that frigid weather experience. Their comment, “It was like going back to our youth. It was a fantastic experience!” I would estimate through food, experiences, and other purchases each weekend, our groups spend an additional \$300 minimum at local businesses.

As of today, the Richland Center Tourism Coordinator position is compensated as a 100% position by the City. The coordinator position entails the following:

- Develops and executes major projects. (Branding, marketing of Social Media and Broadcast Media)
- Coordinates projects with other local partnerships. (RED, GRACC, SWRPC, City and County)
- Creates content and brand for Social Media platforms that removes barriers to visitors
- Manages and oversees content on website
- Prepares and administers the annual budget and manages projections vs actual expenditures
- Oversees planning and staffing of Visitor's Center during late Spring, Summer, early Fall dates
- Plans and executes other events as they arise (Rodeo parade, fall celebration)
- Counsels local tourism-related businesses on their marketing and branding efforts
- There are many other ancillary tasks too numerous to mention here

For 2021 the Richland Center City Council intends to move this position to a 100% position and asks Richland County to join the effort for 2022. Many of the responsibilities listed above benefit not only the city, but also the county as a whole. The bulk of the tourism-related businesses benefitting from the Coordinator's efforts are actually located outside of the city of Richland Center.

The 2022 projection for the Tourism Coordinator position,

Annual Salary= \$52,000 (This figure was determined with a brief survey of other like-sized communities, with same-type tourism attractions. This is commensurate with Washburn County and Chippewa County Tourism Director Salaries as of 2020 and provided by Wisconsin Tourism.)

Richland County Committee

Agenda Item Cover

FICA Tax=3,972 annually, WRS Contribution at 6.75%= \$3530 annually, Life Insurance= \$331 annually, Disability Insurance \$110 annually

Health insurance has been left out of this equation, current Tourism Coordinator does not require health insurance due to spousal coverage and that appears to be a reasonable expectation for the long-term future. Total wage and benefits for the position projected at =\$59,943.00.

The Richland Center Tourism Commission passed a resolution encouraging the City of Richland Center and Richland County join in the effort to increase the Tourism Coordinator position to 100% time. This proposal includes a “sunset” to the shared cost. The breakdown of cost to each entity to support this position is proposed as follows:

2021- 50% City of Richland Center and 50% Room Tax Revenues

2022- 50% Room Tax Revenue- 25% City of Richland Center- 25% Richland County

2023- 70% Room Tax Revenue- 15% City of Richland Center- 15% Richland County

2024- 80% Room Tax Revenue- 5% City of Richland Center- 5% Richland County

2025- 100% Room Tax Revenue

We encourage that Richland County join the City of Richland Center in this partnership to grow our area and become the destination of choice for those searching for a quieter, safer, more serene, experience. We know there are many out there looking for the type of experience we offer and in the same time this will grow our economic base and build a more sustainable financial picture for all parties.

Attachments and References:

Financial Review:

(please check one)

<input type="checkbox"/>	In adopted budget	Fund Number	
<input type="checkbox"/>	Apportionment needed	Requested Fund Number	
<input checked="" type="checkbox"/>	Other funding Source	Added to Fund #10 in 2022 at estimated \$14,985.75	
<input type="checkbox"/>	No financial impact		

(summary of current and future impacts)

Approval:

Review:

Clinton Langreck

Department Head

Administrator, or Elected Office (if applicable)
