



# City of Northfield

City Hall  
801 Washington Street  
Northfield, MN 55057  
ci.northfield.mn.us

## Legislation Text

**M2015-111**

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**File #: 15-409, Version: 1**

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**City Council Meeting Date:** November 3, 2015

**To:** Mayor and City Council

**From:** Deb Little, City Clerk

**Subject:**

Approval of Budget and Consultant Services Contract for the Convention and Visitors Bureau

**Action Requested:**

The Northfield City Council accepts and approves the 2016 Budget for the Convention and Visitors Bureau, approves the attached three year consultant services contract, and authorizes the Mayor and City Clerk to execute the contract.

**Summary Report:**

Lisa Peterson, Tourism Director for the Northfield Convention and Visitors Bureau (CVB) and Todd Bornhauser, President of the Northfield Area Chamber of Commerce, presented the 2016 CVB Budget and Work Plan to the City Council on October 20, 2015 meeting.

The current contract between the City and the Chamber for CVB services ends December 31, 2015. The proposed contract includes the following changes from the existing contract:

- Increasing the CVB Board from 11 to 12 members, increasing the number of members appointed by the Chamber from 8 to 9
- Changing the contract term from two to three years
- Updated insurance amounts

**Alternative Options:**

The Council could choose to modify the 2016 CVB annual budget or contract.

**Financial Impacts:**

Funding is provided from the 3% lodging tax collected on all lodging rooms within the City. 95% of the tax collected is used to fund a local convention or tourism bureau for the purpose of marketing and promoting the City as a tourist or convention center. The remaining 5% is used by the City for administrative fees. No proceeds of the lodging tax for 2016 shall be distributed to the Chamber for CVB services until the budget has been approved by the City Council.

**Tentative Timelines:**

Approval of the budget and contract at the November 3, 2015 Council meeting will allow Chamber and CVB staff to continue planning and preparation for 2016.

## CONSULTANT SERVICE CONTRACT

This Contract, made this 9<sup>th</sup> day of November, 2015 between the CITY OF NORTHFIELD, MINNESOTA, a Minnesota municipal corporation, 801 Washington Street, Northfield, MN 55057, ("CITY"), and the NORTHFIELD AREA CHAMBER OF COMMERCE, a nonprofit corporation organized under the laws of the State of Minnesota, 205 3rd Street West, Suite B, Northfield, MN 55057 ("CONSULTANT"), (collectively the "PARTIES").

WHEREAS, pursuant to Minn. Stat. § 469.190 and Chapter 74, Article II of Northfield City Code, copies of which are attached, CITY has imposed a tax of three percent on the gross receipts from the furnishing for consideration of lodging within CITY to fund a Convention and Visitors Bureau for the purpose of marketing and promoting CITY as a tourist and convention center; and

WHEREAS, CITY requires certain professional services in conjunction with establishing and maintaining a Convention and Visitors Bureau (the "Project"); and

WHEREAS, CONSULTANT agrees to furnish the various services and perform the various functions required herein related to the Project.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties agree as follows:

### SECTION I—CONSULTANT'S SERVICES AND RESPONSIBILITIES

- A. Scope of Services. CONSULTANT agrees to perform various services and functions as detailed in Exhibit 1, Scope of Services, attached hereto and incorporated herein by reference.
- B. Standard of Care. Services provided by CONSULTANT or its agents, subcontractors and/or sub-consultants under this Contract will be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of CONSULTANT's profession.
- C. Convention and Visitors Bureau. The Convention and Visitors Bureau hereby established shall consist of a twelve (12) member Board of Advisors. The Board of Advisors shall include two (2) members appointed by the Mayor and approved by the City Council, one (1) member appointed by the CONSULTANT, and the remaining nine (9) members submitted by the CVB Board of Advisors and appointed by the CONSULTANT. One of the two members appointed by the CITY shall be a member of the City Council. The member appointed by the CONSULTANT shall be a member of the Board of Directors of the Chamber.

D. **Policies and Procedures.** The policies and procedures of the Convention and Visitors Bureau attached hereto and incorporated herein as Exhibit 2 shall be subject to annual review by the City Council of CITY. In the event of any conflict or inconsistency between this Contract and Exhibit 2, the terms of this Contract shall govern.

E. **Insurance.**

1. CONSULTANT agrees to maintain, at CONSULTANT's expense, statutory worker's compensation coverage.
2. CONSULTANT agrees to maintain, at CONSULTANT's expense, with coverage for itself as well as for all vendors and participants in the events, a commercial general liability insurance policy with limits of at least \$2,000,000.00 per occurrence and at least \$4,000,000.00 aggregate coverage. Such insurance policies shall cover all losses related to the events, including set-up and take-down.
3. True, accurate and current certificates of insurance, showing evidence of the required insurance coverages, are hereby provided to the CITY by CONSULTANT and are attached hereto as Exhibit 3. The Certificate of Liability insurance must specify that all licensees, vendors and participants in the events are covered by the required insurance policies, and shall name the City as an additional insured. CONSULTANT shall deliver a list of all licensees, vendors, operators and other participants in the Project and certificate(s) of insurance evidencing the required insurance coverage to the City's City Clerk/Risk Manager at least 30 days prior to beginning of the Project. No vendor or operator shall be allowed to set-up operations until such certificate of insurance has been delivered to the Risk Manager.

Acceptance of a certificate of insurance that does not comply with the requirements of this contract will not operate as a waiver of CONSULTANT's or any other party's obligations hereunder. CONSULTANT shall specifically ensure that its liability insurance covers claims related to the activities that are part of the Project.

## **SECTION II- THE CITY'S RESPONSIBILITIES**

- A. CITY shall compensate CONSULTANT for services and functions performed to the satisfaction of the CITY, in accordance with Section III of this Contract.
- B. A staff-person of the CITY's with interest in the tourism industry, shall serve as the liaison person to act as the CITY's representative with respect to services to be rendered under this Contract. The representative shall have the authority to transmit instructions, receive instructions, receive information, interpret and define the CITY's policies with respect to the Project and CONSULTANT's services.

The representative shall be the primary contact person between the CITY and CONSULTANT with respect to the services from CONSULTANT under this Contract. The CITY reserves the right to substitute the representative at any time and shall notify CONSULTANT of the substitution.

### SECTION III -FUNDING

- A. **Funding.** All funding for the Convention and Visitors Bureau and the Scope of Services under this Contract exclusively shall be from the proceeds of the imposed lodging tax.
- B. **Compensation for Services.** The CITY will compensate CONSULTANT for CONSULTANT's performance of services under this Contract by remitting to CONSULTANT on the 15th day of each month during the term hereof, ninety-five percent (95%) of the lodging tax proceeds received by the City from the prior month, less any refunds or delinquencies. This amount shall be the exclusive compensation to CONSULTANT for all services performed under this Contract for CITY.
- C. **Budget.** CONSULTANT shall submit an annual operating budget to the City Council of CITY for the next calendar year, by October 10 of the preceding year, detailing how anticipated lodging tax proceeds for the subsequent year are intended to be used in meeting the Scope of Services to be performed by CONSULTANT under this Contract. The submitted budget shall be subject to review, modification and approval by the City Council of CITY and no proceeds of the lodging tax for the subsequent calendar year shall be distributed to CONSULTANT until the budget for that year has been approved by the City Council.
- D. **Verification of Expenditures.** CONSULTANT shall provide to the CITY's Finance Director each month a copy of the Convention and Visitors Bureau's monthly financial statements from the prior month. The financial statements shall show monthly, year-to-date, and budget figures as verified and approved by the Board of Advisors.

### SECTION IV- TERM AND TERMINATION

- A. **Term.** This Contract shall be in effect for a period of three years commencing January 1, 2016 and ending December 31, 2018.
- B. **Termination.** Notwithstanding the foregoing, this Contract may be terminated by either party for any reason or for convenience by either party upon one hundred twenty (120) days written notice. In the event of termination, CITY shall be obligated to CONSULTANT for payment of amounts due and owing including payment for services performed or furnished to the date and time of termination, computed in accordance with Section III of this Contract.
- C. **Default.** If CONSULTANT fails to perform any of the provisions of this Contract or so fails to administer the services detailed in Exhibit 1, attached hereto, after notice and fails to correct such performance within 30 days, this shall constitute a default. Unless

CONSULTANT's default is excused by the CITY, the CITY may, upon written notice, immediately cancel this Contract or exercise any other rights or remedies available to the CITY under this Contract or law.

## SECTION V- INDEMNIFICATION

- A. CONSULTANT shall indemnify, protect, save, hold harmless and insure the CITY, and its respective officers, directors, employees and members and agents, from and against any and all claims and demands for, or litigation with respect to, all damages which may arise out of or be caused by CONSULTANT or its agents, employees, contractors, subcontractors, or sub-consultants with respect to CONSULTANT's performance of its obligations under this Contract. CONSULTANT shall defend the CITY against the foregoing, or litigation in connection with the foregoing, at CONSULTANT's expense, with counsel reasonably acceptable to the CITY. The CITY, at its expense, shall have the right to participate in the defense of any Claims or litigation and shall have the right to approve any settlement, which approval shall not be unreasonably withheld. The indemnification provision of this Section shall not apply to damages or other losses proximately caused by or resulting from the negligence or willful misconduct of the CITY. All indemnification obligations shall survive termination, expiration or cancellation of this Contract.
- B. Nothing contained in this Contract shall create a contractual relationship with or a cause of action in favor of a third party against the CITY or CONSULTANT. CONSULTANT's services under this Contract are being performed solely for the CITY's benefit, and no other entity shall have any claim against CONSULTANT because of this Contract or the performance or nonperformance of services provided hereunder.

## SECTION VI- GENERAL TERMS

- A. **Voluntary and Knowing Action.** The PARTIES, by executing this Contract, state that they have carefully read this Contract and understand fully the contents thereof; that in executing this Contract they voluntarily accept all terms described in this Contract without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound thereby.
- B. **Authorized Signatories.** The PARTIES each represent and warrant to the other that (1) the persons signing this Contract are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Contract against it; each party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.
- C. **Notices.** The PARTIES' representatives for notification for all purposes are:

**THE CITY:**  
Deb Little

City Clerk  
801 Washington Street  
Northfield MN 55057  
Phone: (507) 645-3001  
Email: deb.little@ci.northfield.mn.us

**CONSULTANT:**

Todd J. Bornhauser  
President Northfield Area Chamber of Commerce &  
Tourism  
205 3<sup>rd</sup> Street West, Suite B  
Northfield MN 55057  
Phone: (507) 645-5604  
Email: todd@northfieldchamber.com

- D. **Independent Contractor Status.** CONSULTANT, including its employees and agents, at all times and for all purposes hereunder, shall be an independent contractor and is not an employee of the CITY for any purpose. No statement contained in this Contract shall be construed so as to find CONSULTANT to be an employee of the CITY, and CONSULTANT shall not be entitled to any of the rights, privileges, or benefits of employees of the CITY, including but not limited to, workers' compensation, health/death benefits, and indemnification for third-party personal injury/property damage claims.

The CITY acknowledges that no withholding or deduction for State or Federal income taxes, FICA, FUTA, or otherwise, will be made from the payments due CONSULTANT, and that it is CONSULTANT's sole obligation to comply with the applicable provisions of all Federal and State tax laws.

CONSULTANT shall at all times be free to exercise initiative, judgment and discretion as to how to best perform or provide the services described in Exhibit 1.

CONSULTANT is responsible for hiring sufficient workers to perform the services/duties required by this Contract, withholding their taxes and paying all other employment tax obligations on their behalf.

- E. **Acceptance of Services.** Each service shall be subject to a verification of acceptability by CITY to ensure such service satisfies the Scope of Services. The acceptability of any service will be based on CITY's satisfaction or non-satisfaction with the services based on requirements of this Contract. If any service is not acceptable, CITY will notify CONSULTANT specifying reasons in reasonable detail, and CONSULTANT will, at no additional cost, conform the service to the Scope of Service requirements of this Contract.
- F. **Subcontracting.** CONSULTANT shall not enter into any subcontract for performance of any services contemplated under this Contract without the prior approval of the CVB Board of Advisors. CONSULTANT shall be responsible for the performance of all

subcontractors and/or sub-consultants.

- G. **Assignment.** This Contract may not be assigned by either Party without the written consent of the other Party.
- H. **Modifications/Amendment.** Any alterations, variations, modifications, amendments or waivers of the provisions of this Contract shall only be valid when they have been reduced to writing, and signed by authorized representative of the CITY and CONSULTANT.
- I. **Records-Availability and Retention.** Pursuant to Minn. Stat. § 16C.05, subd. 5, CONSULTANT agrees that the CITY, the CITY's Finance Director, the State Auditor, or any of their duly authorized representatives at any time during normal business hours and as often as they may reasonably deem necessary, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, etc., which are pertinent to the accounting practices and procedures of CONSULTANT and involve transactions relating to this Contract.
- CONSULTANT agrees to maintain these records for a period of six years from the date of termination of this Contract.
- J. **Force Majeure.** The PARTIES shall each be excused from performance under this Contract while and to the extent that either of them are unable to perform, for any cause beyond its reasonable control. Such causes shall include, but not be restricted to fire, storm, flood, earthquake, explosion, war, total or partial failure of transportation or delivery facilities, raw materials or supplies, interruption of utilities or power, and any act of government or military authority. In the event either party is rendered unable wholly or in part by force majeure to carry out its obligations under this Contract then the party affected by force majeure shall give written notice with explanation to the other party immediately.
- K. **Compliance with Laws.** CITY and CONSULTANT shall each abide by all Federal, State and local laws, statutes, ordinances, rules and regulations now in effect or hereinafter adopted pertaining to this Contract or to the facilities, programs and staff for which is their respective responsibility.
- L. **Non-Discrimination.** The provisions of any applicable law or ordinance relating to civil rights and discrimination shall be considered part of this Contract as if fully set forth herein.
- M. **Work Product.** All materials such as reports, exhibits, models, graphics, computer files, maps, charts, and supporting documentation produced under work authorized by this Contract ("Materials") shall become the property of CITY upon completion of the work. CITY may use the information for the Project for which they were prepared. Such use by CITY shall not relieve any liability on the part of CONSULTANT. Notwithstanding any of the foregoing to the contrary; (a) CONSULTANT may reuse standard details of its

Materials in the normal course of its business; and (b) CITY understands that the Materials have been prepared for a specific project, and are not intended to be reused for other purposes. If CITY reuses the Materials for any other purpose, CITY waives any claims against CONSULTANT arising from such reuse and agrees to defend and indemnify CONSULTANT from any claims arising from such reuse.

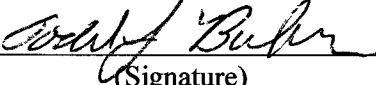
- N. **Governing Law.** This Contract shall be deemed to have been made and accepted in Rice County, Minnesota, and the laws of the State of Minnesota shall govern any interpretations or constructions of the Contract without regard to its choice of law or conflict of laws principles.
- O. **Data Practices.** The PARTIES acknowledge that this Contract is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 *et seq.*
- P. **No Waiver.** Any Party's failure in any one or more instances to insist upon strict performance of any of the terms and conditions of this Contract or to exercise any right herein conferred shall not be construed as a waiver or relinquishment of that right or of that Party's right to assert or rely upon the terms and conditions of this Contract. Any express waiver of a term of this Contract shall not be binding and effective unless made in writing and properly executed by the waiving Party.
- Q. **Severability.** The invalidity or unenforceability of any provision of this Contract shall not affect the validity or enforceability of any other provision. Any invalid or unenforceable provision shall be deemed severed from this Contract to the extent of its invalidity or unenforceability, and this Contract shall be construed and enforced as if the Contract did not contain that particular provision to the extent of its invalidity or unenforceability.
- R. **Entire Contract.** These terms and conditions constitute the entire Contract between the PARTIES regarding the subject matter hereof. All discussions and negotiations are deemed merged in this Contract.
- S. **Headings and Captions.** Headings and captions contained in this Contract are for convenience only and are not intended to alter any of the provisions of this Contract and shall not be used for the interpretation of the validity of the Contract or any provision hereof.
- T. **Survivability.** All covenants, indemnities, guarantees, releases, representations and warranties by any Party or PARTIES, and any undischarged obligations of the CITY and CONSULTANT arising prior to the expiration of this Contract (whether by completion or earlier termination), shall survive such expiration.
- U. **Execution.** This Contract may be executed simultaneously in two or more counterparts that, when taken together, shall be deemed an original and constitute one and the same document. The signature of any Party to the counterpart shall be deemed a signature to the Contract, and may be appended to, any other counterpart. Facsimile and email transmissions of executed signature pages shall be deemed as originals and sufficient to bind the executing Party.



**SECTION VII -SIGNATURES**

IN WITNESS WHEREOF, the PARTIES have hereunto executed this document  
the day and year first above written.

**NORTHFIELD CHAMBER OF COMMERCE:**

By:   
(Signature)

Date: 11/03/2015

Title: PRESIDENT

Print Name: TODD BONHAUSEN

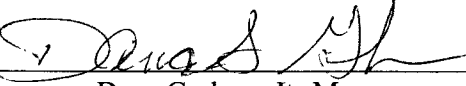
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(Signature)

Date: \_\_\_\_\_

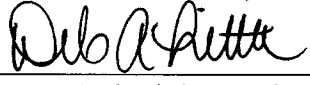
Title: \_\_\_\_\_

Print Name: \_\_\_\_\_

**CITY OF NORTHFIELD:**

By:   
Dana Graham, Its Mayor

Date: 11/3/15

By:   
Deb Little, Its City Clerk

Date: 11/3/15

**EXHIBIT 1**

**SCOPE OF SERVICES**

Please see attached document

## **Exhibit 1**

### **Northfield Convention and Visitors Bureau Scope of Services Attached to Consultant Service Contract Between the City of Northfield And The Northfield Area Chamber of Commerce**

The Northfield Area Chamber of Commerce ("Chamber") shall perform the following services pursuant to a Contract between the Chamber and the City of Northfield ("City"). These services are provided pursuant to Minn. Stat. § 469.190 and Chapter 74, Article II of Northfield City Code, copies of which are attached to this Exhibit 1. The scope below is based on the 2016 Strategic Plan created by the CVB board.

#### **1. Create brand awareness for visiting Northfield**

Utilizing the expertise of a public relations firm, the CVB will initiate and manage a campaign to promote the City as a tourist destination and convention site. The public relations firm and the CVB will obtain information from stakeholders to ensure that the campaign speaks to the different activities, festivals, areas of interest and businesses involved in tourism and conventions.

- Will continue branding through existing website [www.visitingnorthfield.com](http://www.visitingnorthfield.com), social media, advertising (web, print and radio) to create a cohesive, and consistent message and brand.
- Will use the campaign to continue outreach to potential visitors, public relations and media to maximizing branding investment for several years.
- Will market branding through creative efforts meant to capture attention of individuals and local, regional, and national media.
- Will market branding through visual *goods*, such as t-shirts, posters, postcards, bumper stickers, buttons.
- Will work with partners to make the visual goods available.
- Will provide outreach at different events to make campaign known to the general public and visitors.
- Will educate and encourage tourism partners to engage, interact with and utilize branding to maximize visual and message impact and to encourage cooperative advertising and promotion spending, thereby stretching advertising monies. Education will take place with one-on-one meetings and a tourism-partner training session. Stakeholders will be encouraged to adapt and make the branding "their own" so it can be cross-promoted in many ways.

## **2. Increase visitor spending**

Encourage visitors (tourists, college students, parents of students, recreational visitors) to stay longer and spend more money while in our community.

- Will create sample itineraries to outline activities and interests visitors could use. Will share itineraries via website, social media and through targeted print advertising.
- Will work with seasonal or one-time activities to encourage people to try Northfield for a short visit, then offer opportunities for other activities they may enjoy. Suggestions will be made with call-in and walk-in traffic as well as through social media.
- Will target visitors who enjoy history, recreational activities, performing and visual arts, festivals, boutique shopping, dining, and colleges. Will target demographics (age, geographical location, interests) through:
  - social media posts, contests and ads
  - placed advertising online, in print, and on radio
  - information distribution; making information accessible and in formats each group is most likely to use
  - Groups targeted include: current and potential college students, parents of students, college and high school alumni, day-trippers, young families, "girlfriend" outings, romantic get-aways, tour groups.
  - Targeting will include encouraging overnight visitors when lodging establishments typically have vacancies.
- Will create play-and-stay packages for different interest groups, coordinating with hotels, restaurants, activities, and retail opportunities. Will promote packages on web site and through social media and other appropriate outlets.

## **3. Market Northfield as a recreation destination**

Will market to potential visitors who are not currently utilizing our recreational amenities (biking, cross country skiing, kayaking, sports facilities, hiking) by promoting outdoor activities and venues on websites and in promotions.

- Will create awareness of recreational opportunities by promoting events, outdoor amenities and business resources that may be useful to recreational enthusiasts.

- Marketing will take place on websites, social media, ads and with printed materials such as hiking/biking guides, waterway information and maps.
- Will coordinate tourism opportunities with organized sporting event organizers (such as tournaments) to encourage visitors to explore other areas of community and take part in other events or sites, during the sporting event or in the future.

#### **4. Move from traditional media to contemporary outreach approaches**

Utilize more internet, social media and media influencers to attract and interact with current and future visitors

- Will optimize Facebook, Instagram, Twitter and Pinterest sites with regular and relevant posting. Will interact and respond to interested parties through social media to answer questions and provide more information, filling requests and providing additional options. Will collaborate with stakeholders to provide their information via posts and links.
- Will create marketing materials that are easily sent via email or downloadable from website, reducing costs of traditional print and advertising.
- Will seek free publicity through social media, guerilla events, magazines, video, and television writers/producers.
- Will work with Explore Minnesota online opportunities to feature Northfield events, attractions and businesses as well as promote branding and connections to other websites/social media.
- Will enhance and maintain online calendar of events, seeking out upcoming events and attractions to feature. Will promote linkages to events, festivals, and tourism stakeholder sites.

#### **5. Increase group travel**

The CVB will attract more travel groups (organized and organic) to explore and re-visit our area.

- Create marketable itineraries, encouraging travel groups to take in an array of activities, dining and shopping. Will market itineraries through group travel publications and on websites.
- Provide information and support to tour operators, including parking options, dining and lodging contact information, ideas for activities inside and around Northfield, and ideas for special areas of interest. Will promote capabilities from leads generated by group travel publications, online contact form, and from interested parties who've

contacted our tourism partners.

- Educate and coordinate with other regional tourism partners to inform their contact circles about Northfield tour opportunities. Will enhance itineraries with day-trips to other interesting venues while encouraging tour groups to lodge in Northfield.

**Services performed day-to-day:**

1. The CVB shall provide informational services to potential, current and future visitors to Northfield by:
  - a. Answering inquiries from phone, walk-in traffic, email and social media requests; sending out information verbally, via email, web links or post.
  - b. Fulfilling information requests from lead-generating agencies such as Explore Minnesota and Explore Southern Minnesota.
  - c. Providing information about current and upcoming activities on the website, through social media and through public relations efforts.
  - d. Gathering and providing information about attractions, festivals and events.
  - e. Creating and distributing marketing materials featuring annual events, maps and target-interest publications. Collecting materials created by tourism partners and networks to give to on-site and potential visitors.
  - f. Seeking out and distributing places for marketing materials, including travel centers, lodging establishments and high-traffic tourism sites.
2. Meet with tourism partners to understand upcoming events
  - a. Seek updates and timely information to provide to potential visitors through website, social media and distribution of printed materials.
  - b. Collaborate with tourism stakeholders on cooperative advertising opportunities to promote/brand Northfield as a whole as well as special events or attractions.
  - c. Become aware of advertising/promotions being placed by tourism partners so to support but not duplicate efforts.
3. Seek, solicit and provide materials (press releases and updates) for earned media (publicity) and informational news coverage through online and direct contact.
4. Create advertising and promotions with appropriate outlets.
5. Seek new and update information with Explore Minnesota (state website/organization). Utilize grant received from Explore Minnesota to promote travel.
6. Work with partners locally and regionally to maximize cooperative advertising and promotional efforts.
7. Plan itineraries for group travel and longer-stay guests. Create and update stay-and-play packages on website and social media.

8. Participate in tourism organizations to promote Northfield to other communities' representatives and to learn and employ best practices in tourism industry (Southern MN Tourism Association, Minnesota Association of Convention and Visitors Bureaus).
9. Work with conference planners to find meeting spaces, lodging, dining and free-time activities for attendees.

**EXHIBIT 2**  
**POLICIES AND PROCEDURES**

Please see attached document.



Exhibit 3  
INSURANCE

ARTICLE II. - LODGING TAX<sup>[2]</sup>

Footnotes:

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**Cross reference**— *Businesses, ch. 14.*

**State Law reference**— *Local lodging tax, Minn. Stat. § 469.190.*

## DIVISION 1. - GENERALLY

## Sec. 74-26. - Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*City* means the City of Northfield, Minnesota.

*Director* means the finance director of the city.

*Lodger* means the person obtaining lodging from an operator.

*Lodging* means the furnishing for consideration of lodging by a hotel, motel, rooming-house, tourist court, resort, municipal campground or the granting of any similar license to use real property, except where such lodging shall be for a continuous period of 30 days or more to the same lodger.

*Operator* means a person who provides lodging to others or any officer, agent or employee of such person.

*Person* means any individual, corporation, partnership, association, estate, receiver, trustee, executor, administrator, assignee, syndicate or any other combination of individuals. Whenever the term "person" is used in any provision of this chapter prescribing and imposing a penalty, the term as applied to a corporation, association, or partnership, shall mean the officers or partners thereof as the case may be.

*Rent* means the gross receipts from the furnishing for consideration of lodging by an operator, whether paid in money or otherwise.

(Code 1986, § 140:05; Ord. No. 947, § 1, 5-7-2013)

**Cross reference**— Definitions generally, § 1-2.

## Sec. 74-27. - Imposed.

Pursuant to authority granted under Minn. Stat. § 469.190, there is imposed a tax of three percent on the rent charged by an operator for providing lodging to any person. The tax collected by the operator shall be a debt owed by the operator to the city, a lien on the real property to which it applies, and shall be extinguished only by payment to the city.

(Code 1986, § 140:10; Ord. No. 947, § 1, 5-7-2013)

**State Law reference**— Authority for above tax, Minn. Stat. § 469.190, subd. 1.

## Sec. 74-28. - Collections.

Each operator shall collect the tax imposed by this article at the time the rent is paid. The tax collections shall be deemed to be held in trust by the operator for the city. The amount of tax shall be separately stated from the rent charged for the lodging, and those persons paying the tax shall receive a receipt of payment from the operator.

(Code 1986, § 140:15)

Sec. 74-29. - Exceptions and exemptions.

- (a) *Exceptions.* No tax shall be imposed on rent for lodging paid by any officer or employee of a foreign government who is exempt because of express provisions of federal law or international treaty.
- (b) *Exemptions.* No tax shall be granted to any person as to whom or whose occupancy it is beyond the power of the city to tax. No exemption shall be granted except upon a claim therefor made at the time the rent is collected, and such a claim shall be made in writing and under penalty of perjury on forms provided by the city. All such claims shall be forwarded to the city when the returns and collections are submitted as required by this article.

(Code 1986, § 140:20)

Sec. 74-30. - Advertising no tax.

It shall be unlawful for any operator to advertise or hold out or state to the public or any customer, directly or indirectly, that the tax imposed by this article or any part thereof will be assumed or absorbed by the operator or that it will not be added to the rent or that, if added, it or any part of it will be refunded.

(Code 1986, § 140:25)

Sec. 74-31. - Payment and returns.

- (a) The taxes imposed by this article shall be paid by the operator to the city monthly not later than 30 days after the end of the month in which the taxes were collected, except that the director may alternatively require quarterly payment and returns by an operator where the tax imposed in a quarter is \$250.00 or less. At the time of payment the operator shall submit a return upon such forms and containing such information as the director may require. The return shall contain the following minimum information:
  - (1) The total amount of rent collected for lodging during the period covered by the return.
  - (2) The amount of tax required to be collected and due for the period.
  - (3) The signature of the person filing the return or that of his/her agent duly authorized in writing.
  - (4) The period covered by the return.
  - (5) The amount of uncollectible rental charges subject to the lodging tax.
  - (6) A copy of the Minnesota state sales and use tax return submitted by the operator for the period covered by the return.
  - (7) Such other information as the director from time to time may, in his or her discretion, require.
- (b) The operator may offset against the taxes payable with respect to any reporting period the amount of taxes imposed by this article previously paid as a result of any transaction, the consideration for which became uncollectible during such reporting period, but only in proportion to the portion of such consideration which became uncollectible.

- (c) In computing the tax to be collected, amounts of tax less than one-half of one cent shall be disregarded, and one-half of one cent or more shall be considered an additional cent.

(Code 1986, § 140:30; Ord. No. 947, § 1, 5-7-2013)

Sec. 74-32. - Refunds.

Any person may apply to the director for a refund of lodging taxes paid in excess of the amount legally due for a prescribed period, provided that no application for a refund shall be considered unless filed within one year after such tax was paid or within one year from the filing of the return, whichever period is longer. The director shall examine the claim and make and file written findings thereon denying or allowing the claim in whole or in part and shall mail a notice thereof by certified mail to such person at the address stated upon the return. Any allowance shall include interest on the excess determined at the rate as provided in section 74-63(e) from the date such excess was paid or collected until the date it is refunded or credited. If such claim is allowed in whole or in part, the director shall credit the amount of the allowance against any taxes due under this article from the claimant, and the balance of the allowance, if any, shall be paid by the director to the claimant.

(Code 1986, § 140:40)

Sec. 74-33. - Failure to file return.

If an operator required by this article to file a return shall refuse or fail to do so within the time prescribed or shall make, willfully or otherwise, any incorrect, false, or fraudulent return, the operator shall, upon written notice and demand, file such return or corrected return within five days of receipt of such written notice and shall at the same time pay any tax due on the basis thereof. If such person shall refuse or fail to file such return or corrected return, the director shall make a return or corrected return for such person from such knowledge and information as the director can obtain and assess a tax on the basis thereof, which tax, less any payments theretofore made on account of the tax for the taxable period covered by such return, shall be paid within five days of the receipt of written notice and demand for such payment. Any such return or assessment made by the director shall be prima facie correct and valid, and such person shall have the burden of establishing its incorrectness or invalidity in any action or proceeding in respect thereto.

(Code 1986, § 140:45; Ord. No. 947, § 1, 5-7-2013)

Sec. 74-34. - Violations.

In addition to any other penalties that may be provided by this article, any person who commits any of the following shall be guilty of a misdemeanor:

- (1) Any willful violation of any provision of this article, or
- (2) The failure to tender or make a return required by this article, or
- (3) The failure to pay the tax after written demand for payment, or
- (4) The failure to remit the taxes collected or any penalty or interest imposed by this article after written demand for such payment, or
- (5) The refusal to permit the director or any duly authorized agents or employees to examine the books, records and papers under his/her control, or
- (6) The tendering of any incomplete, false or fraudulent return.

(Code 1986, § 140:75; Ord. No. 947, § 1, 5-7-2013)

Secs. 74-35—74-60. - Reserved.

DIVISION 2. - ADMINISTRATION AND ENFORCEMENT<sup>(3)</sup>

*Footnotes:*

--- (3) ---

**Cross reference**— *Administration, ch. 2.*

Sec. 74-61. - Duties of director.

The director shall administer and enforce the assessment and collection of the taxes imposed by this article. The director shall cause to be prepared blank forms for the returns and other documents required by this article and shall distribute the forms and documents throughout the city and furnish them on application, but failure to receive or secure them shall not relieve any person from any obligation required of him/her under this article.

(Code 1986, § 140:55)

Sec. 74-62. - Examination of return, adjustments, notices and demands.

The director may rely upon the Minnesota state sales and use tax return filed by the operator with the state in determining the accuracy of a return filed under this chapter. However, the director shall be authorized, after a return is filed pursuant to this article, to examine the return and make any investigation or examination of the records and accounts of the person making the return if the director reasonably determines that such steps are necessary for determining the correctness of the return. The tax computed on the basis of such examination shall be the tax to be paid. If the tax due is found to be greater than that paid, such excess shall be paid to the city within ten days after receipt of a notice thereof given either personally or sent by certified mail to the address shown on the return. If the tax paid is greater than the tax found to be due, the excess shall be refunded to the person who paid the tax to the city within ten days after determination of such refund.

(Code 1986, § 140:35; Ord. No. 947, § 2, 5-7-2013)

Sec. 74-63. - Interest, penalties and extensions.

- (a) *Failure to timely pay tax.* If any tax imposed by this article or any portion thereof is not paid within the time specified in this article for the payment or an extension thereof, there shall be added thereto a specific penalty equal to ten percent of the amount remaining unpaid.
- (b) *Failure to timely file return.* If any person shall fail or refuse to make and file a return within the time prescribed by this article or an extension thereof, there shall be added to the tax, in addition to any applicable penalty provided in subsection (a) of this section, ten percent if the failure is for not more than 30 days following the required reporting period with an additional five percent for each additional 30 days or fraction thereof during which such failure continues, not exceeding 25 percent in the aggregate. If the penalty as computed does not exceed \$10.00, a minimum penalty of \$10.00 shall be assessed. The amount so added to any tax shall be collected at the same time and in the same manner and as part of the tax, unless the tax has been paid before the discovery of the negligence, in which case the amount so added shall be collected in the same manner as the tax.
- (c) If any person fails or refuses to file any return or make any payment required by this article or files a false or fraudulent return or attempts in any manner to evade or defeat any such tax or payment thereof, there shall also be imposed on the person as a penalty an amount equal to 50 percent of any tax, less any amounts paid by the person on the basis of such false or fraudulent return, found

due for the period to which such return [is] related. The penalty imposed by this subsection shall be collected as part of the tax and shall be in addition to any other penalties, civil and criminal, provided by this article.

- (d) All payments received shall be credited first to penalties, next to interest, and then to the tax due.
- (e) The amount of tax not timely paid, together with any penalty provided by this section, shall bear interest at the rate specified in Minn. Stat. § 270C.40 from the time such tax should have been paid until paid. Any interest and penalty shall be added to the tax and shall be collected as a part thereof.
- (f) If an operator fails to pay a tax and/or penalty imposed hereunder within 30 days after it is required to be paid, the tax and/or penalty may be specially assessed against the real property on which the lodging establishment is located in the same manner as a special assessment for other unpaid city charges.
- (g) As an alternative to a special assessment, if any portion of a tax imposed by this article, including interest and penalties thereon, is not paid within 30 days after it is required to be paid, the city may institute such legal action as may be necessary to recover the amount due plus attorney's fees, costs and disbursements incurred in any action.
- (h) Upon a showing of good cause, the director may grant an operator one 30-day extension of time within which to file a return and make payment of taxes as required by this article.

(Code 1986, § 140:50; Ord. No. 947, § 2, 5-7-2013)

Sec. 74-64. - Examination of records.

The director and those persons acting on behalf of the director, authorized in writing by the director, may examine the books, papers and records of any operator in order to verify the accuracy of any return made or, if no return was made, to ascertain the tax as provided in this article. Every such operator is directed and required to give to the director, or such other authorized agent or employee designated by the director, the means, facilities and opportunity for such examinations and investigations as are authorized by this article.

(Code 1986, § 140:60; Ord. No. 947, § 2, 5-7-2013)

Sec. 74-65. - Confidential information.

- (a) Data, other than basic taxpayer identification data, collected from taxpayers under this article are nonpublic data pursuant to the Minnesota Government Data Practices Act, Minn. Stat. § 13.395. No city officer or employee shall divulge or otherwise make known in any manner any particulars disclosed in any return required by this article or any information concerning the affairs of the person making the return acquired from such person's records, officers, or employees while performing an examination or audit, except in connection with a proceeding involving taxes due under this article from the person making such return. Nothing contained in this subsection, unless otherwise provided by law, shall be construed to prohibit the director from publishing statistics so classified as not to disclose the identity of particular returns and the contents thereof.
- (b) Notwithstanding subsection (a) of this section, the city may enter into an agreement providing for the administration and collection of the tax imposed by this article by the state department of taxation and its officers and agents.

(Code 1986, § 140:65; Ord. No. 947, § 2, 5-7-2013)

Sec. 74-66. - Contract with state.

Pursuant to Minn. Stat. § 469.190, subd. 7, the city council may, but need not, agree with the state commissioner of revenue that the tax imposed under this article shall be collected by the commissioner together with the tax imposed by Minn. Stat. ch. 297A and shall be subject to the same interest, penalties, and other rules and that its proceeds, less the cost of collection, shall be remitted to the city. To the extent that the sections of this article are in conflict with any statutes, rules or regulations which control under any such agreement with the commissioner, the provisions of such statutes, rules and regulations shall prevail.

(Code 1986, § 140:70; Ord. No. 947, § 2, 5-7-2013)

**State Law reference—** Collection by state authorized, Minn. Stat. § 469.190, subd. 7.

Sec. 74-67. - Use of proceeds.

- (a) At least 95 percent of the gross proceeds obtained from the collection of taxes pursuant to this article shall be used to fund a local convention or tourism bureau for the purpose of marketing and promoting the city as a tourist or convention center. The remainder of the proceeds may be deposited in the city's general fund or in any other fund as may be designated from time to time by the city council.
- (b) The city council may establish or join in the creation of a local convention or tourism bureau, which shall administer the funds appropriated to it for the purpose of marketing and promoting the city as a tourist or convention center.
- (c) Annually, prior to the second regular meeting of the city council in October, the convention or tourism bureau shall prepare and submit to the council for its approval a budget of the bureau's activities for the next fiscal year. No proceeds of the lodging tax for the subsequent fiscal year shall be distributed to the bureau until the budget for that fiscal year has been approved by the city council.

(Code 1986, § 140:80; Ord. No. 947, § 2, 5-7-2013)

**State Law reference—** Use of proceeds, Minn. Stat. § 469.190, subd. 3.

Sec. 74-68. - Appeals.

- (a) Any operator aggrieved by any notice, order or determination made by the director under this article may file a petition for review of such notice, order or determination detailing the operator's reasons for contesting the notice, order or determination. The petition shall contain the name of the petitioner, the petitioner's address and the location of the lodging subject to the order, notice or determination.
- (b) The petition for review shall be filed with the city administrator within ten days after the notice, order or determination for which review is sought has been mailed to or served upon the person requesting the review.
- (c) Upon receipt of the petition, the city administrator shall set a date for a hearing and shall give the petitioner at least five days' prior written notice of the date, time and place of the hearing.
- (d) At the hearing, the petitioner shall be given an opportunity to show cause why the notice, order or determination should be modified or withdrawn. The petitioner may be represented by counsel of the petitioner's choosing at the petitioner's own expense.
- (e)

The hearing shall be conducted by the city administrator, provided only that the person conducting the hearing shall not have participated in the drafting of the order, notice or determination for which review is sought.

- (f) The person conducting the hearing shall make written findings of fact and conclusions based upon the applicable sections of this article and the evidence presented. The person conducting the hearing may affirm, reverse or modify the notice, order or determination for which review is sought. The decision shall be mailed by certified mail to the petitioner at the address stated in the petition.
- (g) Any decision rendered by the city administrator pursuant to this section may be appealed to the city council. A petitioner seeking to appeal a decision must file a written notice of appeal with the city administrator within ten days after the decision has been mailed to the petitioner. The matter will thereupon be placed on the council agenda as soon as is practical. The council shall then review the findings of fact and conclusions to determine whether they were correct. The council may modify, reverse or affirm the decision of the city administrator upon the same standards as set forth in subsection (f) of this section.

(Code 1986, § 140:85)

Secs. 74-69—74-95. - Reserved.



# **POLICIES and PROCEDURES**

## **Northfield Convention and Visitors Bureau**

The Northfield Convention and Visitor's Bureau ("CVB") is organized pursuant to an agreement ("Agreement") between the City of Northfield, a Minnesota municipal corporation ("City"), and the Northfield Area Chamber of Commerce, a Minnesota nonprofit corporation ("Chamber"). The City passed Ordinance No. 508 on April 20, 1987, providing for a local lodging tax to fund CVB activities. These Policies and Procedures shall govern the CVB. These Policies and Procedures shall supersede and replace any previous Policies and Procedures and By-Laws of the CVB.

### **I. PURPOSE**

The CVB is organized as a division of the Chamber. The Chamber shall manage the CVB's activities in accordance with the Agreement and administer those funds allocated by the City from the City's lodging tax proceeds for the purpose of marketing and promoting the City as a tourism destination and convention site.

### **II. CVB BOARD OF ADVISORS**

- a. The governance, direction of work, and control of funds of the CVB shall be subject to these Policies and Procedures, other applicable policies and by-laws of the Chamber, the Agreement (and any amendments and revisions thereto) between the Chamber and the City relating to the CVB, and Minnesota statutes and the City Charter and Code of Ordinances. The CVB Board of Advisors (the "Board") shall report to the Board of Directors of the Northfield Chamber of Commerce on a semi-annual basis concerning its activities, including a statement of moneys received and expended and current and long-term assets and liabilities. A report will be made to the Northfield City Council twice each calendar year, which will include a revenue and expense report, assets and liabilities, and a work plan which identifies goals achieved.
- b. The Board shall consist of no more than twelve (12) individual members appointed by or nominated from the category group they represent, placed on the slate by the Board and submitted to the Chamber Board for its approval based strictly on compliance with these Policies and Procedures:

Three-year terms shall be held by:

- One (1) representatives from the lodging facilities located within the City of Northfield;
- Two (2) representatives from arts-based organizations, historical organizations or organized community festivals;
- One (1) representative of a Northfield retail establishment;
- One (1) representative of a restaurant within Northfield;

- One (1) representative from an outdoors or recreational sporting organization;
- Three (3) at-large representatives, employed in Northfield.

One-year terms shall be held by:

- One (1) representative of the **Board of Directors of the Chamber** (other than the President of the Chamber's Board of Directors) appointed by the Chamber Board.
  - Two (2) representatives to be appointed by the Northfield City Council, preferably a Council Member or the Mayor, and a city staff person.
- Each Board member shall serve a term as described above, except that initial appointments may be for a shorter term in order to stagger terms (so that approximately one-third of the terms expire each year). Notwithstanding the designated terms, if a member no longer represents the group or type of business for which he/she was appointed, that member shall be deemed to have resigned.
  - Any vacancy on the Board shall be filled by the Board with Board approval as to compliance with these policies.
  - Board members may be appointed for two consecutive terms.
  - Board members appointed for a term less than designated above (either because of the initial arrangement for staggered terms or because the member was appointed to fill a vacancy in an unexpired term) may, upon expiration of that term, be reappointed for one additional full term. After serving a full term, a person may not be reappointed as a Board member until at least one year has passed from the expiration of that person's term.
  - If any Board member is absent **without notice** for more than three regularly scheduled meetings in a year, that individual shall forfeit their membership and the vacancy shall be filled as these procedures prescribe. Any Board member absent for more than 50% of the regular scheduled CVB meetings may be replaced by action of the Board to declare a vacancy and fill the same as these procedures prescribe.
  - Staff:* The President of the Chamber shall serve as the President of the CVB. The President is responsible for organizing the activities of the CVB; the administration and management of the CVB; setting agendas for the Board with the assistance of the Chair; facilitating, attending and staffing all Board and Executive Committee meetings, directing contact with the community; correlating minutes of all CVB meetings; tracking the financial health of the CVB; and such other activities as may be assigned by the Board. The President is the primary point of contact for the CVB. The President may hire staff upon approval of the Board.

The President is not a member of the Board, but serves as staff to the Board.

### III. OFFICERS

- a. The elective officers of the CVB shall be Chair, Vice-Chair, Secretary/Treasurer.
  - i. The Chair shall serve as the executive head of the CVB. The Chair shall preside at all meetings of the Board and Executive Committee, and shall perform all duties regularly pertaining to that office.
  - ii. The Vice-Chair shall perform the duties of Chair in the absence of the Chair, and is also the Chair-elect, filling the role of Chair in the following year.
  - iii. The Secretary/Treasurer shall perform the duties of Chair in the absence of both the Chair and the Vice-Chair, and shall perform all duties regularly pertaining to the office of Secretary/Treasurer, including the taking of minutes at all CVB meetings, which shall be submitted to the Board for approval at a subsequent meeting. The Secretary/Treasurer shall be responsible for the safeguarding and accounting of all funds received by the CVB and for their proper disbursement. Such funds shall be kept on deposit in financial institutions approved by the Board. The Treasurer shall generate a monthly financial report to be presented to the Board.
- b. The Office of Vice-Chair and Secretary/Treasurer shall be elected when the Committee is initially organized upon the approval of these Policies and Procedures, and thereafter annually by the members of the Board at their regular January meeting. Each officer shall hold office until his/her successor is duly elected and qualified. No person may hold the same office for more than two consecutive years.

### IV. EXECUTIVE COMMITTEE

- a. The Executive Committee of the CVB shall consist of the Chamber President(staff), Chair, Vice-Chair, Secretary/Treasurer.
- b. *General Responsibility:* The CVB Executive Committee shall possess and exercise only emergency powers of the Board. It shall report its action or discussion at the next meeting of the Board for approval or rejection of the action taken.
- c. *Meetings:* Notice of any meeting of the CVB Executive Committee shall be given at least 24 hours previous thereto by written notice delivered personally sent by fax, or email to each member of the CVB Executive Committee at the address shown by the records of the Northfield Chamber/CVB. All Executive Committee members must participate in the decision process.

## V. MEETINGS

- a. Regular meetings of the Board shall be held monthly or as necessary with a minimum of six meetings a year.
- b. Special meetings may be called by the Chair of the Board, or at the request of three or more members, upon at least three business days' written notice to each member, delivered by email to each at that member's email address as shown on the records of the CVB.
- c. Any meeting of the Board may be held electronically by telephone or other electronic technology as long as the following conditions are met: the Chair and/or Executive Director determines that an in-person meeting is not practical or prudent; all members of the board are offered the opportunity to be included in the meeting; quorum standards are met in the form of the communication chosen; and all votes will be conducted by electronic call to enable each member's vote to be identified and recorded. A board member is considered present when attending a meeting electronically.

In the case of meetings conducted through email, the Chair and/or President shall initiate the meeting and each board member participating must reply to all participants indicating that the communication involves every board member. Each communication must include sender's name at the end of each message. Each board member must have a private email address with which to participate; and the Secretary/Treasurer shall be responsible to create minutes of the meeting to be placed into the minutes of the Chapter. An email vote must officially open and end by a date and time determined by the Chair. Time is determined by the time stamp on the email, indicating the time the email was sent.

- d. *Quorum:* One more member than one-half the currently appointed number of members of the Board shall constitute a quorum at meetings. No business may be transacted at any meeting in the absence of a quorum, other than to adjourn the meeting.
- e. Except as otherwise provided herein, the vote of a simple majority of the members of the Board present at a meeting shall be sufficient to approve a motion.
- f. Unless contrary to specific provisions in these Policies and Procedures, meetings shall be conducted in accordance with the most recent edition of Roberts' Manual of Parliamentary Rules.

## VI. FINANCES

- a. The Board shall have general authority over the finances and property of the CVB, and shall have authority to order disbursements for necessary and

appropriate expenses. No disbursements may be made unless consistent with the approved budget of the CVB and with the majority approval of the Board.

Notwithstanding the preceding sentence, in the event that the Board fails or refuses to approve a disbursement to which it is contractually obligated, that disbursement shall be paid from CVB funds if approved by the Board of Directors of the Chamber. All disbursements shall be made by check, signed by such person or persons who are authorized by the Chamber Board of Directors to sign checks on behalf of the Chamber.

- b. No member shall have authority to contractually bind the CVB without prior approval of its Board, and all written contracts must be signed on behalf of the CVB by the Executive Director of the Chamber (staff) and an officer of the Board.
- c. Prior to October 10 of the fiscal year of the CVB, staff shall propose an annual budget for the CVB, which, upon approval by the CVB, shall be forwarded to the Board of Directors of the Chamber for approval. The budget shall include administrative fees to be paid to the Chamber for services provided to the CVB by the Chamber, and shall also include a reasonable cash reserve to cover cash flow needs of the CVB.
- d. The CVB shall have no authority to borrow money unless approved by the Board of Directors of the Chamber and the Northfield City Council.
- e. Accounting and audit services for the CVB shall be performed by the person or firm designated by the Chamber Board of Directors, and any fees and expenses related thereto shall be paid by the CVB.
- f. The fiscal year of the CVB shall run from January 1 through December 31.
- g. All books and records of the CVB may be inspected at any reasonable time for proper purposes by any Board member, member of the Board of Directors of the Chamber, or by any designee of the Northfield City Council.
- h. Financial statements shall be submitted to the City of Northfield on a monthly basis.

## **VII. AMENDMENTS TO POLICIES & PROCEDURES**

Amendments to these Policies and Procedures may be made by an affirmative vote of 2/3 of the CVB Board and an affirmative vote of 2/3 of the Chamber Board present at a regular or special meeting called for that purpose. A vote on proposed amendments may not be taken unless the proposed amendments have been submitted in writing to each CVB member and members of the Chamber Board of Directors at least ten (10) days prior to the meeting at which a vote is taken. As required by the Agreement with the City of Northfield relating to the CVB, amendments shall also be approved by the City

Council of Northfield before taking effect. If a 2/3 vote is not received from the CVB Board or by the Chamber Board for the proposed amendments, a Resolution Committee will be formed consisting of three (3) CVB Board members and three (3) Chamber Board members, with a mutually agreed upon non-board member concerned party to act as facilitator.

**VIII. DISSOLUTION**

The Convention and Visitors Bureau may be dissolved by a vote of 2/3 of the CVB Board of Directors with the consent of the Northfield Area Chamber of Commerce Board of Directors and the consent of the Northfield City Council. In the event of dissolution, any physical property shall remain with the Northfield Area Chamber of Commerce; any cash assets shall remain with the City of Northfield after all contractual obligations and other liabilities are accounted for.

**IX. EFFECTIVE DATE**

These Policies and Procedures shall be effective as of 11/10/2015 upon the approval of the CVB Board, and the Board of Directors of the Chamber.

**X. FINAL DRAFT**

Approved by: CVB Board – 10/15/2015

Northfield Chamber of Commerce – 11/10/2015

**469.190 LOCAL LODGING TAX.**

Subdivision 1. **Authorization.** Notwithstanding section 477A.016 or any other law, a statutory or home rule charter city may by ordinance, and a town may by the affirmative vote of the electors at the annual town meeting, or at a special town meeting, impose a tax of up to three percent on the gross receipts from the furnishing for consideration of lodging at a hotel, motel, rooming house, tourist court, or resort, other than the renting or leasing of it for a continuous period of 30 days or more. A statutory or home rule charter city may by ordinance impose the tax authorized under this subdivision on the camping site receipts of a municipal campground.

Subd. 2. **Existing taxes.** No statutory or home rule charter city or town may impose a tax under this section upon transient lodging that, when combined with any tax authorized by special law or enacted prior to 1972, exceeds a rate of three percent.

Subd. 3. **Disposition of proceeds.** Ninety-five percent of the gross proceeds from any tax imposed under subdivision 1 shall be used by the statutory or home rule charter city or town to fund a local convention or tourism bureau for the purpose of marketing and promoting the city or town as a tourist or convention center. This subdivision shall not apply to any statutory or home rule charter city or town that has a lodging tax authorized by special law or enacted prior to 1972 at the time of enactment of this section.

Subd. 4. **Unorganized territories.** A county board acting as a town board with respect to an unorganized territory may impose a lodging tax within the unorganized territory according to this section if it determines by resolution that imposition of the tax is in the public interest.

Subd. 5. **Reverse referendum.** If the county board passes a resolution under subdivision 4 to impose the tax, the resolution must be published for two successive weeks in a newspaper of general circulation within the unorganized territory, together with a notice fixing a date for a public hearing on the proposed tax.

The hearing must be held not less than two weeks nor more than four weeks after the first publication of the notice. After the public hearing, the county board may determine to take no further action, or may adopt a resolution authorizing the tax as originally proposed or approving a lesser rate of tax. The resolution must be published in a newspaper of general circulation within the unorganized territory. The voters of the unorganized territory may request a referendum on the proposed tax by filing a petition with the county auditor within 30 days after the resolution is published. The petition must be signed by voters who reside in the unorganized territory. The number of signatures must equal at least five percent of the number of persons voting in the unorganized territory in the last general election. If such a petition is timely filed, the resolution is not effective until it has been submitted to the voters residing in the unorganized territory at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at the referendum.

Subd. 6. **Joint powers agreements.** Any statutory or home rule charter city, town, or county when the county board is acting as a town board with respect to an unorganized territory, may enter into a joint exercise of powers agreement pursuant to section 471.59 for the purpose of imposing the tax and disposing of its proceeds pursuant to this section.

Subd. 7. **Collection.** The statutory or home rule charter city may agree with the commissioner of revenue that a tax imposed pursuant to this section shall be collected by the commissioner together with the tax

imposed by chapter 297A, and subject to the same interest, penalties, and other rules and that its proceeds, less the cost of collection, shall be remitted to the city.

**History:** *1987 c 291 s 191; 1989 c 277 art 1 s 30; 1Sp1989 c 1 art 8 s 1-3; 1990 c 604 art 6 s 6-8*



2016 ADVERTISING SCHEDULE													
	January	February	March	April	May	June	July	August	September	October	November	December	TOTALS
Explore Minnesota State Guide	\$ 563.75	\$ 563.75	\$ 563.75	\$ 563.75	\$ 563.75	\$ 563.75	\$ 563.75	\$ 563.75	\$ 563.75	\$ 563.75	\$ 563.75	\$ 563.75	\$ 6,765.00
SO MN Travel Guide	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 4,800.00
Southern MN Digital E-Mail Blasts	\$ -	\$ 1,683.00	\$ -	\$ 1,683.00	\$ -	\$ 1,683.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,049.00
Midwest Living	\$ -	\$ -	\$ 1,340.00										\$ 1,340.00
Itineraries Midwest	\$ -	\$ -	\$ -	\$ 709.00	\$ -	\$ 709.00	\$ -	\$ -	\$ -	\$ 709.00	\$ -	\$ -	\$ 2,127.00
Minnesota Monthly			\$ 1,850.00		\$ 750.00	\$ 1,100.00		\$ 350.00			\$ 1,100.00		\$ 5,150.00
Des Moines Ragbrai				\$ 1,400.00									\$ 1,400.00
TOTALS	\$ 963.75	\$ 2,646.75	\$ 4,153.75	\$ 4,755.75	\$ 1,713.75	\$ 4,455.75	\$ 963.75	\$ 1,313.75	\$ 963.75	\$ 1,672.75	\$ 2,063.75	\$ 963.75	\$ 26,631.00
Explore Minnesota Grant Dollars		\$ 841.50	\$ 1,595.00	\$ 1,896.00	\$ 375.00	\$ 1,746.00		\$ 175.00		\$ 354.50	\$ 550.00		\$ 7,533.00
Co-op Marketing Dollars													
Explore Minnesota State Guide	\$ 2,600.00						\$ 2,600.00						\$ 5,200.00
SO MN Travel Guide	\$ 2,000.00						\$ 2,000.00						\$ 4,000.00
Southern MN Digital E-Mail Blasts				\$ 850.00									\$ 850.00
Co-op Totals	\$ 4,600.00			\$ 850.00			\$ 4,600.00						\$ 10,050.00

2016 MARKETING SCHEDULE													
	January	February	March	April	May	June	July	August	September	October	November	December	TOTALS
Brochures	\$ 10,500.00									\$ 2,500.00			\$ 13,000.00
Advertising Giveaways													\$ -
Contests/Awards/Gifts					\$ 250.00								\$ 250.00
Event Sponsorships													\$ -
Marketing Expense													\$ -
Postage & Shipping	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 3,300.00
Production Expense	\$ 500.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ -	\$ 125.00	\$ -	\$ 125.00	\$ 125.00	\$ -	\$ 1,500.00
Trade Show Expense													
Memberships	\$ 1,500.00		\$ 355.00				\$ 1,500.00						\$ 3,355.00
Printing		\$ -			\$ -	\$ -	\$ -	\$ -			\$ -		\$ -
TOTALS	\$ 12,775.00	\$ 400.00	\$ 755.00	\$ 400.00	\$ 650.00	\$ 400.00	\$ 1,775.00	\$ 400.00	\$ 275.00	\$ 2,900.00	\$ 400.00	\$ 275.00	\$ 21,405.00

2016 CVB BUDGET Actual/Budget	JANUARY Budget	FEBRUARY Budget	MARCH Budget	APRIL Budget	MAY Budget	JUNE Budget	JULY Budget	AUGUST Budget	SEPTEMBER Budget	OCTOBER Budget	NOVEMBER Budget	DECEMBER Budget	2016 BUDGET	2015 Projected	2014 ACTUAL	2013 ACTUAL
2006 ACTUAL													\$ -			
2007 ACTUAL													\$ -			
2008 ACTUAL													\$ -			
2009 ACTUAL													\$ -			
2010 ACTUAL	\$ 1,184.25	\$ 10,577.45	\$ 2,213.31	\$ 3,872.35	\$ 3,404.93	\$ 4,647.78	\$ 1,572.79	\$ 3,766.76	\$ 6,177.93	\$ 14,266.28	\$ 11,084.13	\$ 16,765.01	\$ 79,532.97			
2011 ACTUAL	\$ 2,714.56	\$ 2,943.07	\$ 3,394.12	\$ 2,395.93	\$ 3,672.80	\$ 3,646.25	\$ 4,132.29	\$ 11,289.92	\$ 6,309.47	\$ 16,055.09	\$ 8,195.53	\$ 13,507.79	\$ 78,256.82			
2012 ACTUAL	\$ 5,298.34	\$ 4,920.48	\$ 5,992.71	\$ 2,416.21	\$ 5,315.17	\$ 5,022.96	\$ 9,680.36	\$ 7,673.20	\$ 8,848.80	\$ 5,739.39	\$ 10,026.33	\$ 3,786.33	\$ 74,720.28			
2013 ACTUAL	\$ 9,890.84	\$ 6,013.40	\$ 3,337.74	\$ 5,307.84	\$ 4,448.28	\$ 3,715.74	\$ 10,457.58	\$ 5,210.49	\$ 4,381.94	\$ 12,993.20	\$ 9,799.11	\$ 3,200.62	\$ 78,856.78			
2014 ACTUAL	\$ 4,089.61	\$ 5,291.39	\$ 6,023.06	\$ 6,446.33	\$ 4,361.48	\$ 3,951.48	\$ 13,676.33	\$ 8,782.08	\$ 12,571.58	\$ 5,217.16	\$ 6,686.50	\$ 8,449.18	\$ 81,594.70			
2015 PROJECTED	\$ 7,697.14	\$ 3,561.18	\$ 7,417.00	\$ 3,466.11	\$ 1,645.20	\$ 10,124.46	\$ 9,562.90	\$ 4,200.53	\$ 6,843.00	\$ 9,650.00	\$ 10,250.00	\$ 4,550.00	\$ 78,967.52			
Revenues																
Interest Income	\$ 2.50	\$ -	\$ -	\$ -	\$ 2.50	\$ -	\$ -	\$ 2.50	\$ -	\$ -	\$ 2.50	\$ -	\$ 10.00	\$ 6.69		
Lodging Tax	\$ 7,700.00	\$ 3,600.00	\$ 7,500.00	\$ 3,500.00	\$ 1,700.00	\$ 10,200.00	\$ 9,600.00	\$ 4,200.00	\$ 8,700.00	\$ 9,700.00	\$ 10,300.00	\$ 4,600.00	\$ 81,300.00	\$ 78,967.52		
Miscellaneous/Other Revenue	\$ 4,600.00	\$ -	\$ -	\$ 850.00	\$ -	\$ -	\$ 4,600.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,050.00	\$ 3,850.00		
EMT Grants	\$ -	\$ 841.50	\$ 1,595.00	\$ 1,896.00	\$ 375.00	\$ 1,746.00	\$ -	\$ 175.00	\$ -	\$ 354.50	\$ 550.00	\$ -	\$ 7,533.00	\$ 7,999.00		
TOTAL REVENUES	\$ 12,302.50	\$ 4,441.50	\$ 9,095.00	\$ 6,248.50	\$ 2,075.00	\$ 11,946.00	\$ 14,202.50	\$ 4,375.00	\$ 8,700.00	\$ 10,057.00	\$ 10,850.00	\$ 4,600.00	\$ 98,893.00	\$ 90,823.21	\$ 84,569.00	\$ 79,352.09
EXPENSES																
Payroll Tax Social Security	\$ 186.90	\$ 186.90	\$ 186.90	\$ 186.90	\$ 186.90	\$ 186.90	\$ 186.90	\$ 186.90	\$ 186.90	\$ 186.90	\$ 186.90	\$ 186.90	\$ 2,242.80	\$ 1,623.92		
Payroll Tax Medicare	\$ 43.50	\$ 43.50	\$ 43.50	\$ 43.50	\$ 43.50	\$ 43.50	\$ 43.50	\$ 43.50	\$ 43.50	\$ 43.50	\$ 43.50	\$ 43.50	\$ 522.00	\$ 379.02		
Payroll Tax FUTA	\$ 18.00	\$ 18.00	\$ 6.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42.00	\$ 64.50		
Payroll Tax SUTA	\$ 178.20	\$ 178.20	\$ 178.20	\$ 178.20	\$ 178.20	\$ 178.20	\$ 178.20	\$ 178.20	\$ 178.20	\$ 178.20	\$ 178.20	\$ 178.20	\$ 1,782.00	\$ 884.31		
Health Insurance - Employer	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 3,600.00	\$ 1,725.00		
Wages - Lisa	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 36,000.00	\$ 23,062.50		
Payroll Processing Expense	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 600.00	\$ 717.50		
Total Personnel Expenses	\$ 3,776.60	\$ 3,776.60	\$ 3,764.60	\$ 3,758.60	\$ 3,758.60	\$ 3,758.60	\$ 3,758.60	\$ 3,758.60	\$ 3,758.60	\$ 3,758.60	\$ 3,580.40	\$ 3,580.40	\$ 44,788.80	\$ 28,456.75	\$ 41,011.00	\$ 30,447.55
Accounting Fees	\$ 300.00	\$ 200.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 300.00	\$ 2,150.00	\$ 2,050.35		
Audit/Year End Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 750.00	\$ 750.00		
Advisory Board Meetings	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 120.00	\$ 53.05		
Bank Service Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3.00		
Contract Labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,158.80		
Depreciation	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 420.00	\$ 372.90		
Insurance-Directors	\$ 325.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 325.00	\$ 1,750.00		
Insurance-Workmans Com	\$ 325.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 325.00	\$ 325.00		
Insurance-Others	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,425.00)		
Insurance-Build & Contents	\$ -	\$ -	\$ -	\$ 250.00	\$ -	\$ -	\$ 250.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500.00	\$ 449.35		
Office Supplies	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 135.00	\$ 1,620.00	\$ 1,280.97		
Office Equipment	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 2,400.00	\$ 1,937.07		
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 650.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,300.00	\$ 1,339.45		
Rent	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 6,600.00	\$ 6,300.00		
Supplies	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00	\$ 165.31		
Telephone/Cable	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 900.00	\$ 814.57		
Telephone - Cell	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 360.00	\$ 240.00		
Computer/Internet/Web Expense	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 1,200.00	\$ 2,791.32		
Management Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00		
Other Expense	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 600.00	\$ 434.71		
Total Operations Expenses	\$ 2,160.00	\$ 1,410.00	\$ 1,360.00	\$ 1,610.00	\$ 2,010.00	\$ 1,360.00	\$ 1,610.00	\$ 1,360.00	\$ 1,360.00	\$ 2,760.00	\$ 1,360.00	\$ 1,510.00	\$ 19,870.00	\$ 29,768.86	\$ 18,192.00	\$ 19,896.54
Computer Technology	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Office Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Maintenance & Repairs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Equipment Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Advertising	\$ 963.75	\$ 2,646.75	\$ 4,153.75	\$ 4,755.75	\$ 1,713.75	\$ 4,455.75	\$ 963.75	\$ 1,313.75	\$ 963.75	\$ 1,672.75	\$ 2,063.75	\$ 963.75	\$ 26,631.00	\$ 22,516.80		
Advertising Giveaways	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Brochures	\$ 10,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,922.00	\$ -	\$ -	\$ 12,422.00	\$ 14,164.20		
Business Meetings	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00	\$ 169.16		
Contests/Awards/Gifts	\$ -	\$ -	\$ -	\$ -	\$ 250.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250.00	\$ -		
Education & Seminars	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Event Sponsorship	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Marketing Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Memberships	\$ 3,000.00	\$ -	\$ 355.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,355.00	\$ 355.00		
Postage & Shipping Expense	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 275.00	\$ 3,300.00	\$ 2,960.89		
Printing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Production Expense	\$ 500.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 1,500.00	\$ 3,310.01		
Promotional Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
State & National Meetings	\$ 25.00	\$ 400.00	\$ 300.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 30.00	\$ 25.00	\$ 25.00	\$ 955.00	\$ 796.52		
Trade Show Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Travel	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 120.00	\$ 1,440.00	\$ 1,188.21		
Utilities	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 600.00	\$ 434.82		
Volunteer Group Tour Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30.00		
Web Site	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80.00		
Advertising Expenses	\$ 15,458.75	\$ 3,641.75	\$ 5,403.75	\$ 5,375.75	\$ 2,583.75	\$ 5,075.75	\$ 1,458.75	\$ 1,933.75	\$ 1,458.75	\$ 4,219.75	\$ 2,683.75	\$ 1,458.75	\$ 50,753.00	\$ 46,005.61	\$ 42,846.00	\$ 91,584.87
Total Expenses	\$ 21,395.35	\$ 8,828.35	\$ 10,528.35	\$ 10,744.35	\$ 8,352.35	\$ 10,194.35	\$ 6,827.35	\$ 7,052.35	\$ 6,577.35	\$ 10,738.35	\$ 7,624.15	\$ 6,549.15	\$ 115,411.80	\$ 104,231.22	\$ 102,049.00	\$ 141,928.96
NET INCOME/(LOSS)	\$ (9,092.85)	\$ (4,386.85)	\$ (1,433.35)	\$ (4,495.85)	\$ (6,277.35)	\$ 1,751.65	\$ 7,375.15	\$ (2,677.35)	\$ 2,122.65	\$ (681.35)	\$ 3,225.85	\$ (1,949.15)	\$ (16,518.80)	\$ (13,408.01)	\$ (17,480.00)	\$ (62,576.87)

# THIS IS NORTHFIELD

City Council Presentation

October 20, 2015

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NORTHFIELD

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## NORTHFIELD CVB

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### • Who & Where?

- City of Northfield
  - Collects Lodging Tax, Determines CVB Contract for Service, CVB Reports to City Council each year
- Northfield Chamber of Commerce
  - Maintains Contract for Services & Employees Staff to execute CVB Contract
- CVB Board Member
  - Advisory Role to Tourism Director, Reports to Chamber Board & City Council
- Tourism Director
  - Fulfills the duties assigned & outlined in the CVB Contract for Services Agreement

## NORTHFIELD CVB

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### ▪ What & Why?

- Purpose of the CVB
  - "for the purpose of marketing and promoting the city or town as a tourist or convention center" – State Statute
- Contract for Services between the City of Northfield & the Northfield Area Chamber of Commerce:
  - The CVB is organized as a division of the Chamber. The Chamber shall manage the CVB's activities in accordance with the Agreement and administer those funds allocated by the City from the City's lodging tax proceeds for the purpose of marketing and promoting the City as a tourism destination and convention site.

## NORTHFIELD CVB

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### ▪ How?

- Funded through 3% Lodging Tax on all Lodging Rooms within the City of Northfield – State Statute
  - Any stay longer than 30 days in a row is exempt from paying lodging tax.
- 95% of the gross proceeds from any tax imposed under subdivision 1 shall be used by the statutory or home rule charter city or town to fund a local convention or tourism bureau for the purpose of marketing and promoting the city or town as a tourist or convention center.
- CVB Annual Work plan including Marketing & Advertising Plans, Goals for increasing Lodging Tax & Budget

## CVB ADVISORY BOARD

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### Three-year terms shall be held by:

- One (1) representatives from the lodging facilities located within the City of Northfield
  - **Jeff Haase, Country Inn & Suites**
- Two (2) representatives from arts-based organizations, historical organizations or community festivals
  - **Brad Ness, DJJD Committee**
  - **Doug Bratland, Vintage Band Festival**
- One (1) representative of a Northfield retail establishment
  - **Cynthia Gilbertson, Northfield Yarn**
- One (1) representative of a restaurant within Northfield
  - **Open Seat**
- One (1) representative from an outdoors or recreational sporting organization;
  - **Marty Larson, Cannon River Off-Road Cycling & Trails**
- One (2) at-large representative, employed in Northfield.
  - **Teresa Tilson, The Entertainment Guide**
  - **Open Seat**

### One-year terms shall be held by:

- One (1) representative of the Board of Directors of the Chamber appointed by the Chamber Board.
  - **Ann Engen, E&J Management**
- Two (2) representatives to be appointed by the Northfield City Council, preferably a Council Member or the Mayor, and a city staff person.
  - **Chris Heineman, City of Northfield**
  - **Jessica Peterson-White, Northfield City Council**

## DAILY CVB ACTIVITY

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NORTHFIELD

- Phones, walk-ins, emails, on-line requests
- Sending out information to individuals, travel centers and tourism partners
- Updating Website(s) & Calendar of Events
- Posting to Social Media & developing followers
- Creating Marketing Materials
- Placing advertising & seeking earned media/free publicity
- Setting, developing & retaining Group Tours
- Tracking budget, lodging tax, reporting analytics
- Participating in industry organizations: Southern MN Tourism Association; Minnesota Association of CVBs; Governor's Council on Tourism, Hospitality MN, and connecting with regional tourism partners
- Local partnership meetings; Colleges, NDDC, Historical Society, Arts Board to better feature historic downtown, college activities, arts, calendar of events, cooperative advertising, group tour itineraries

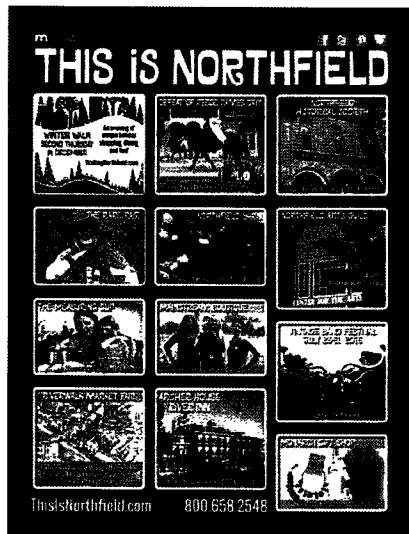
## CVB RECAP 2015

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LEARN MORE

- January 2015 – Ordered 2015 Visitor Guides & Distributed
- March 2015 – VisitingNorthfield.com website launched
- March 2015 – Lisa Havelka left CVB
- May 2015 – Northfield received #2 Best Small Town in the U.S.
- June 2015 – Distributed Visitor Guides & Plastic Display Holders
- August 2015 – Lisa Peterson hired as Director of Tourism
- August 2015 – Northfield received #2 Best Places for Walking & Biking
- September 2015 – Tear-off Street Maps Distributed
- September 2015 – Visitor Guide & Tear-off map distribution at booth during DJJD
- September 2015 – Created co-op marketing program with local merchants.
- September 2015 – CVB Budget into Quickbooks
- October 2015 – CVB Report to City Council

## 2015 MARKETING



2016 Explore MN State Travel Guide Ad



2015  
Northfield  
Visitor Guide



MN Monthly Magazine Ad



## 2015 MARKETING

**THIS IS NORTHFIELD**  
*Summer comes alive on the Cannon River*

Riverwalk Market Fair - Saturdays, June-October, 9am-1pm  
 Vintage Band Festival - Saturday, August 1  
 Outlaw Run - Saturday, August 15  
 Rice County Steam & Gas Engine Show - September 4-6  
 Defeat of Jesse James Days September 9-13  
 Online calendar of more summer fun at [www.VisitingNorthfield.com](http://www.VisitingNorthfield.com)

800.658.2548

EXPLORE MINNESOTA



MN Monthly Online Summer Fun Guide July

**THIS IS NORTHFIELD.COM**  
*Summer comes alive on the Cannon River*

Riverwalk Market Fair  
 Saturdays - June-October 9am-1pm  
 Crazy Days - Thursday, July 23  
 Vintage Band Festival  
 Saturday, August 1  
 Outlaw Run - Saturday, August 15  
 Online calendar of more summer fun at [www.ThisIsNorthfield.com](http://www.ThisIsNorthfield.com)

800.658.2548

EXPLORE MINNESOTA



MN Monthly Online Summer Fun Guide - June

## LODGING TAX

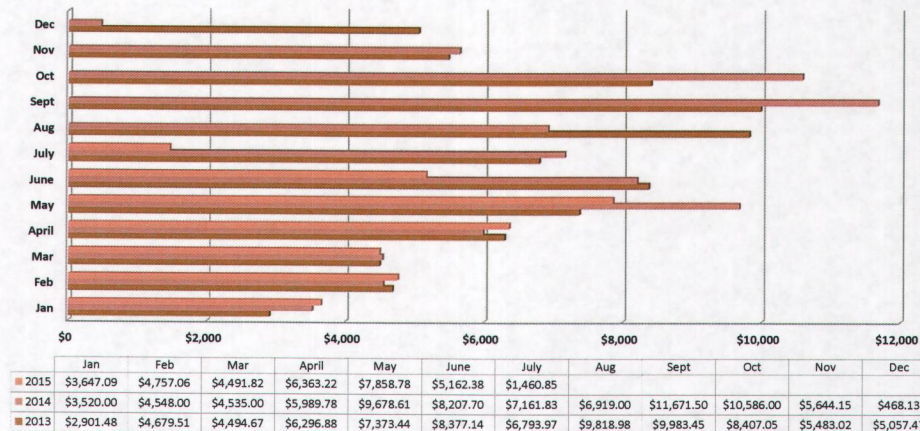
2013 Lodging Tax Total = \$79,667

2014 Lodging Tax Total= \$78,929.70

2015 Lodging Tax Partial thru July = \$

33,741.20

Northfield Lodging Tax Summary





## 2016 WORK PLAN

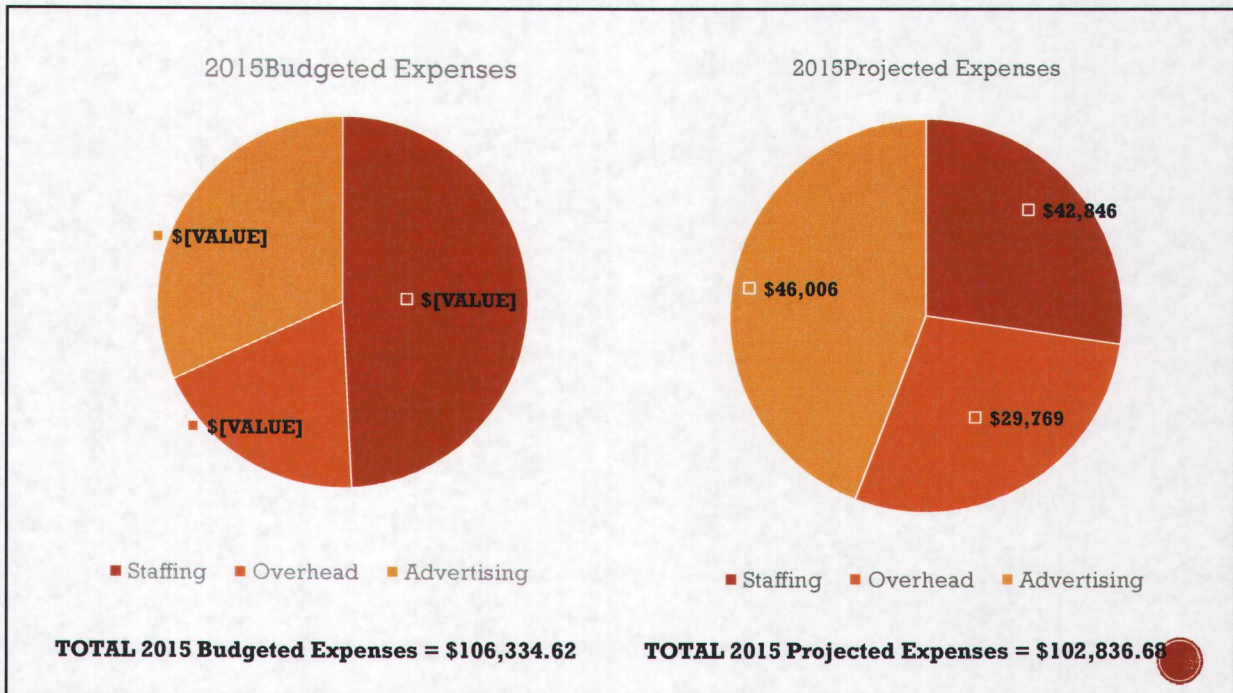
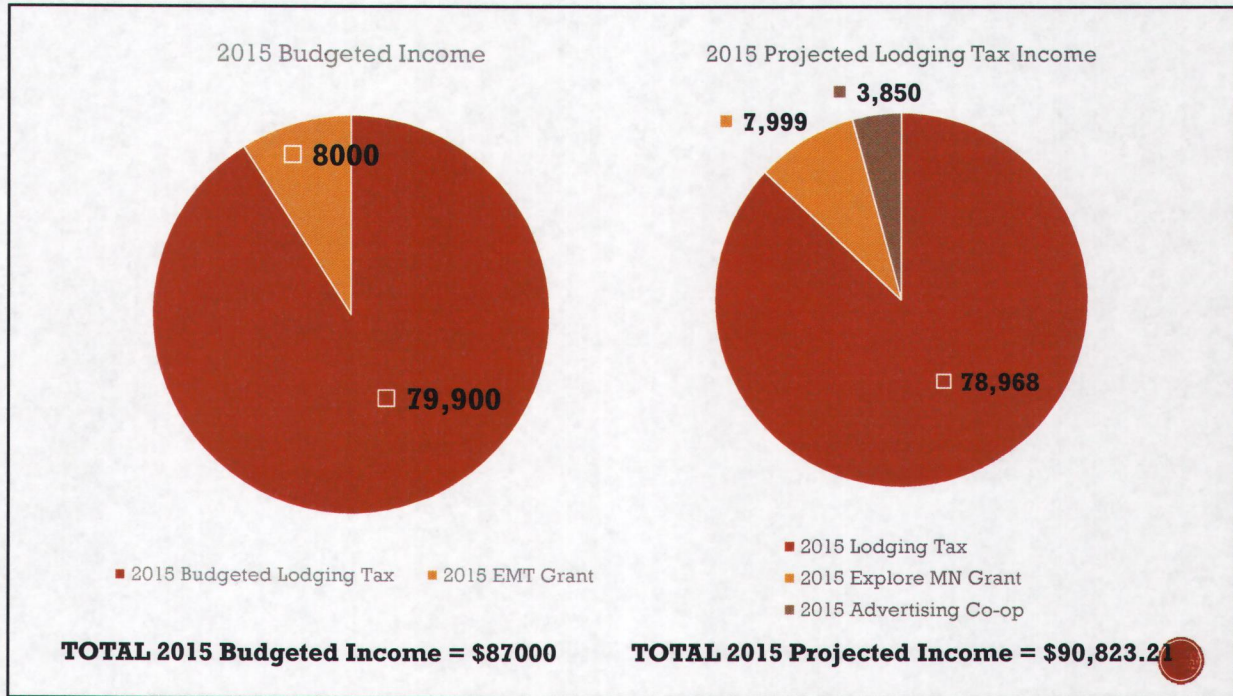
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- Add photos to VisitingNorthfield.com Website
- Calendar of Events
  - Need to develop collective list & how to add to Calendar of Events – what brings visitors to Northfield.
- Manage CVB Budget, tracking & reporting
- Graph & Track Monthly Lodging Tax
- Advertising Plan – Print & Online
  - Leisure, Group, Meetings/Events, Recreational Tourism Marketing
  - Utilize EMT Advertising Grant to supplement marketing budget
  - Create & Develop Partnerships to Cooperative do Ad Placement
- Group Tour Planning
  - Develop Group Tour Volunteer Program
  - Develop Training Manual
  - Group Tour Planning Forms/Calendar/Pricing/Timing
  - Itinerary Development
  - Retention & Recruitment of Group Tours/Tour Operators
- Develop & Utilize CVB Brochures/Collateral Marketing Pieces
  - Visitor Guide – Quantity, Tracking, On-line, Distribution
  - Historic Homes Brochure w/City HPC
  - Historic Sites & Attractions Brochure
  - Outlaw Trail Brochure
  - Future Meeting Planners Guide
  - Future Sports Facilities Guide
  - Future Group Tour Planning Guide
- Continue This is Northfield Campaign within Community and in external marketing materials
- Continue & Engage in Social Media Marketing
  - Facebook, Twitter, Pinterest, Instagram
  - Develop monthly event/calendar of event notices to be used locally & externally for visitors
- Meetings/Events/Convention Prospecting & Sales
  - What events have we hosted in the past/can we host again?
  - Capacity for hosting events?
- Update & develop further - Meeting Planning Guide/Facilities
  - Meeting Space List/Inventory, Amenities, Contact, Photos
- Develop marketing for Sports Tournament Facilities & Planning
  - Tournament Planning
  - Soccer, LaCrosse, Hockey, Senior Center Programs
- Tourism Customer Service Program
  - Educate Lodging, Attractions & Frontline Volunteers what Tourism is, how to navigate website & social media channels, COE, VG, other materials
- Community Engagement
  - Education to Community about what the value of Tourism is
  - Meet w/Community Leaders to build relationships and partnerships for Tourism
  - Engage Colleges in Tourism – what, who, how?
- Engage in CVB Association Memberships – Industry Relations/Meetings/Conferences

## MEASUREMENTS

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- **What do we measure?**
  - # of Visitor Guides Distributed
    - 20,000+ Printed
    - 1645 thru Midwest Living Travel
    - 1165 thru Explore MN Tourism
  - # of Group Tours
  - Chart Lodging Tax Collected
    - \$33,741.20 thru July 2015
  - Website Performance
  - Social Media Performance
  - # of Events hosted in Northfield
  - # of Events that bring Lodging
- **How do we track our success?**
  - Monthly CVB Board Reports
  - Develop CVB Annual Report
  - Present Each Year to City Council





## RECAP 2015 CVB BUDGET



### REVENUE

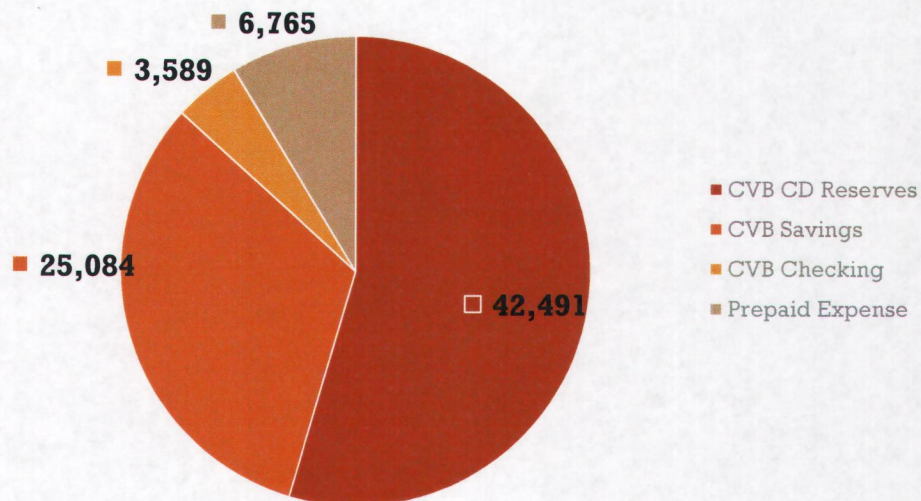
- Projecting decrease in lodging tax revenue to end 2015
- Some grant dollars from the Explore MN Tourism Grant will appear in late 2015, the rest in 2016.

### EXPENSES

- Expenses will be \$13,265.51 over 2015 projected revenue due to unbudgeted expenses & CVB Advisory Board directive to spend down Reserve funds.
  - Visitor Guide Printing (\$3,500)
  - Less reserve was spent due to staff change. (\$7264.20)
  - Advertising (\$4564.80 over budget)
  - Web Expense (\$1591.32)



## CVB ASSETS AS OF 8/30/15

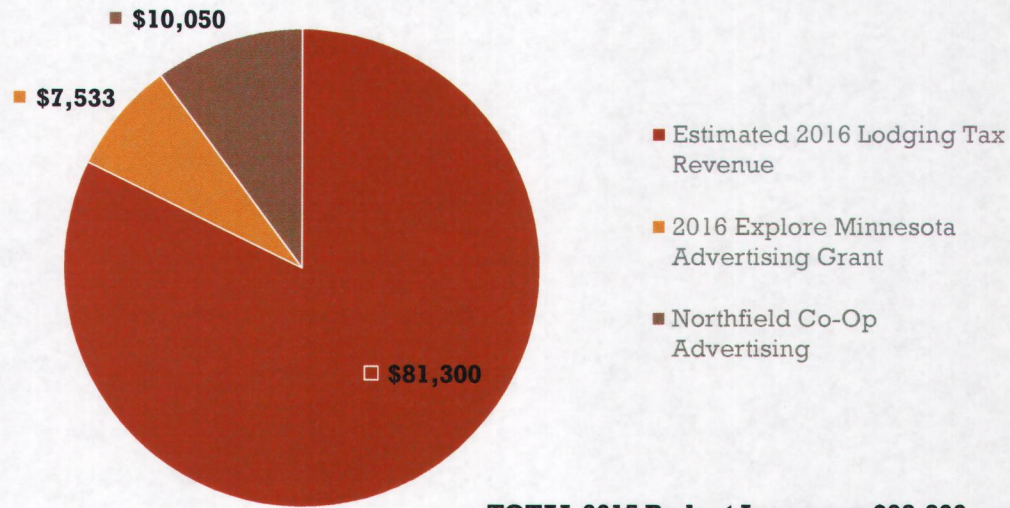


**TOTAL CVB Assets as of 9/30/15= \$70,752.14**

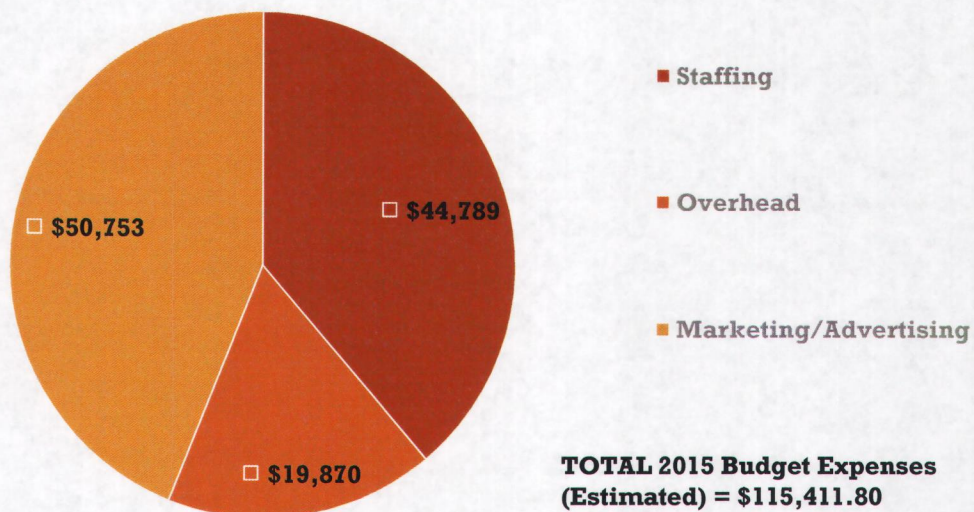




## 2016 BUDGET INCOME



## 2016 BUDGET EXPENSES (ESTIMATES)



# RECAP

## 2016 CVB BUDGET

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### REVENUE

- Lodging Tax Revenue based on historical lodging tax trends/averages with 2.3% increase from 2015 projected tax
- Up to \$7533.50 matching 1:1 Explore MN Tourism Advertising Grant

### EXPENSES

- Expenses will come out of 2016 lodging tax revenue, Explore MN Tourism Grant, Northfield Co-Op Advertising Program and \$16,518.80 from CVB Reserves Asset Balance(savings, checking, CD's)
- Expenses to include: continue with full-time tourism staff, reprinting of marketing brochure, development of cooperative advertising program with community and regional partners, developing Northfield hospitality award program, engaging in industry relations, state tourism initiatives

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**THANK YOU FOR YOUR COMMITMENT TO THE  
NORTHFIELD CVB!!!**

