KIRKSVILLE CITY COUNCIL REPORT

Council Meeting Date: June 18, 2012 Agenda Item: 6

Report Prepared by: Melanie Smith, Assistant City Manager

Recommended Motion: To authorize the Mayor to execute an agreement with the Kirksville Area Chamber of Commerce for renewal of the Tourism Program.

Background: On August 6, 2006 the citizens of Kirksville passed a "Lodging Tax" on the charges for all sleeping rooms paid by the transient guest of hotels or motels situated in the City at a rate of 3.6%. The City collects this tax each year and remits 99% of the Lodging Tax collected to the Chamber for the Tourism Program. The remaining 1% is retained by the City to cover the cost of collection and administration of the fund. The City currently has a contract with the Kirksville Area Chamber of Commerce for execution of the Tourism Program. This agreement was first signed in May, 2006 for a two-year term with automatic renewals each May after the initial term of the agreement. The renewal date for the agreement is July 20, 2012.

The proposed agreement has been updated for the renewal period. Changes to the agreement include:

- o Removal of the language pertaining to the initial ballot approval
- Addition of information for the Annual Report including specific room nights related to special events and information about the Advertising Partnership Program
- Additional requirement that the Tourism Director receive an annual performance assessment, including goals.

Fiscal Impact: None expected. The City will continue to collect the 3.6% Lodging Tax and retain 1% of that tax to cover the cost of collection and administration of the fund.

Respectfully submitted,

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Mari E. Macomber City Manager