

Council Members Present

J.J. Jaeger, Region I
 Lara Smith, Region II
 Jim Manion, Region III
 Diane Newman, Region IV
 Bill Code, Region V
 Courtney Ferguson, Region VI
 Dick Anderson, Region VII
 Paul Norton, Member at-Large

Council Members Absent

none

Guests Present

Doris and Bob Armacost, McCall CC
 Shawn Barigar, Twin Falls CC
 John Beachem, Red Lion
 Chris Bertol, Thunder Mountain Line
 Roxanne Beau, TVB Kool
 Donna Benfield, Yellowstone Teton
 Byron Best, Collinson Media & Events
 Brigitta Bright, Visit Pocatello
 Janey Bruesch, IOGA
 John Cohen, Boise CVB
 Charles Contreras, CdA Casino
 Katherine Coppock, Coeur d'Alene CC
 Anne Chambers, IRVCA
 Mellissa Cleland, SWITA
 Debbie Dane, Southern Idaho Tourism
 Moya Dolsy Shatz, SWITA
 Stephanie Deyo, NCITA
 Bill Drake, Drake Cooper
 Debra Duram, TML

Staff Members Present

Jeff Sayer, Commerce Director
 Karen Ballard, Tourism Administrator
 ReNea Nelson, Tourism
 Nancy Richardson, Tourism
 Laurie Zuckerman, Tourism

Guests Present

Monica Hoth, Teton Valley CC
 Lisa Edens, BCVB
 Destiny Egley, Pioneer Country TC
 Joel Hellerman, McCall Chamber
 Monica Hoth, Teton Valley CC
 Brad Hudson, Snake River Territory
 Matt Hunter, Pocatello CVB
 Florian Herrmann, National Parks Trips
 Pam Houser, Post Falls CC
 Kathy Johnson, Winery Seekers/Tours
 Debbie Kling, Nampa CC
 Eileen Kain, NITA
 Dave Kulis, Schweitzer Mt. Resort
 Ellen Roche Libertine, Stanley-Sawtooth
 Mark Lowe, Pioneer County Travel
 Kate McAlister, Greater Sandpoint CC
 Jared Montague, Brundage
 Michelle Peters, Hells Canyon VC
 Sharon Ranche, Coeur d'Alene CC
 Shar & Brian Scott, IBBA
 Arlene Schieven, Sun Valley Marketing
 Linda Skryins, TV Chamber
 Tom and Karen Stebbins, ISAA
 Gina Taruscio, Moscow CC
 Jon Trumball, Madden Media
 Brian Williams, PBnJ Media
 Neal Williams

Monday, May 6, 2013

Presentation handouts are available at <http://commerce.idaho.gov/business/idaho-travel-council.aspx>. Presentation audios are available through Laurie Zuckerman. Comments on the presentation are listed below.

Welcome and Introductions, JJ Jaeger, ITC Chair, Audio File "ITC May 2013 (1) Mon Intro and Vacation Rentals with Shar and Brian Scott"

Meeting called to order by Chair JJ Jaeger. (00:00)

Members introduced themselves.

Second Home Vacation Rentals, Shar and Brian Scott, Audio File "ITC May 2013 (1) Mon Intro and Vacation Rentals with Shar and Brian Scott", complete presentation available online.

At Manion's request Scott reviewed part of Idaho state statute 63:36 and statute 63:35.01. Discussion regarding need for updating statutes and tax forms for short term vacation rentals ensued. The Scotts gave examples of how other states, communities, advocacy groups, and organizations deal with short term lodging. (13:40)

Andersen and Scott discussed movement in Ketchum and local vote to enforce short term rental tax that would take place that night. (20:30)

Both Scotts emphasized importance of focusing on education as opposed to being punitive; they mentioned the balance between home owner rights and business conduct. Code noted it is only \$26 for an application in Palm Desert. Code believes that the value of the free marketing that home owners receive far outweighs application costs (23:00)

Ballard read the statute definitions for lodging. The statute does cover short term rentals. She echoed the Scott's emphases on education and marketing benefits. She noted that the push to collect the bed tax needs to come from industry as opposed to the state. Stays of less than 30 days are considered short term. (26:00)

Andersen requested the council establish a strategy for moving forward. Manion asked who is responsible to educate and collect. Ballard stated that the Tax Commission is responsible for collections, and Scott added that enforcement procedures rest with the municipality. (29:00)

Andersen noted that the City of Ketchum would be voting on enforcement on the bed tax and local option tax. Andersen will pursue this on behalf of Sun Valley. (31:00)

Scott noted Saul Cohen's, Idaho Tax Commission, email from Dec 28, 2013 stating, "the Tax Commission has no role in enforcement than to see that the proper taxes are collected when lodging transaction occur." (32:00)

Ballard understands that it is difficult to move the issue forward until the Tax Commission's webpage clearly explains the issue and procedures. Ballard suggested creating a grass roots task force who would move the issue forward as positive force. Longwoods research showed a very large gap between dollars spent on lodging and tax collection. Property rental organizations are aware of the issue. (32:00)

Scott said that *VRBO* and *Home and Away* have information in their contract, but it is up to home owners to collect and remit. Scott would like to see the Tax Commission push to educate the public. Norton would like to see short term rental included in Turbo Tax. (36:00)

Jaeger suggested the Scotts and Andersen create a tax force, discuss the issue with the Tax Commission, and come back to council. (39:00)

University of Idaho Conference Planning, Karen Ballard, Audio File "ITC May 2013 (2) U of I Conference Planning with Karen Ballard"

Ballard showed part of video from University of Idaho and Moscow that markets their area for conferences. (0:00)

Tami McClure from University of Idaho, Moscow, skyped into meeting from Moscow. She explained the University of Idaho's goal to work collaboratively with the local Best Western and Moscow Chamber of Commerce to bring conferences with 300 to 800 attendees to Moscow. (5:30)

McClure chronicled the origins of their work with the GOP convention coming to the Kibbie Dome in 2014 where local businesses and the community have come together to grow their network of businesses and capitalize on conference space, lodging, and local business. Their previous conferencing program did not work as well as hoped. They will now focus on academic conferences that reach out to local community, the University, and the state. (7:15)

Code asked if there had been discussion to create an auditorium district. McClure said no but it makes sense. Code explained importance of reviewing auditorium district laws. (12:00)

Ballard asked McClure to expand on their grant proposal. McClure said it will be used for brochures, videos and monthly advisory meetings. The University of Idaho will match each of the three areas. At Norton's request, McClure explained that meetings would use both campus and community facilities. She also hopes that their extension campuses in Coeur d'Alene and McCall would use lodging facilities in those communities. (14:00)

At Code's request, McClure explained how they plan to partner with lodging facilities to mitigate "lodging envy." Because they are targeting conferences of 300 to 800, they would need to spread lodging throughout the city. For example, the GOP Convention will bring 12,000 visitors to the area. (19:00)

At Ballard's request, McClure explained that trade show travel would be included in the grant with a focus on working in partnership with Moscow Chamber of Commerce. McClure signed off Skype, leaving the Council to continue discussion. (22:00)

Ballard explained some of the University of Idaho's unique facets; for example, their services would cross regional boundaries via their extension offices. Norton and Ballard noted that the University would operate somewhat like a CVB and that they are not a non-profit. (24:30)

Nelson pointed out that the council might want to put a stipulation on the "Welcome Back" event which is mentioned in the grant. Discussion on how college and universities

might work cooperatively with the grant program ensued. The marketing money would go to Moscow Chamber, not the University. (28:30)

Ballard requested the Council's input on event sponsorship. Boise Ironman has requested \$10,000 for marketing that would come from her promotional assistance budget. These are grandfathered into the program. Code understood that the Council would support these events for three to five years as seed money. Premier events that make or break a community are a grey area. Ballard does not want to provide funding unless it is matched in the grant program. (31:45)

Nelson and Code discussed encouraging communities to fund their events. Ballard added that with some events, like the Albertsongolf tournament, Tourism receives a higher value in publicity than they give in sponsorship dollars. She also suggested holding back on sponsorships and offering to help event leaders with research on their ROI. (42:00)

Motion. It was moved (Code) and (Andersen) seconded that ITC meeting adjourn for the afternoon. Motion passed. (43:30)

Tuesday, May 7, 2013

Welcome and Introductions, JJ Jaeger, ITC Chair, Audio File "ITC May 2013 (3) Tue Intro and Budget & Collections Update with Karen Ballard"

Meeting called to order by Chair JJ Jaeger.

Members and guests introduced themselves.

Approval of Minutes – It was moved (Code) and seconded (Newman) that the March 2013 minutes be approved. Motion passed. (3:00)

Budget and Collections Update, Karen Ballard, Tourism Administrator, Audio file "ITC May 2013 (3) Tue Intro and Budget & Collections Update with Karen Ballard"

Ballard shared one of Tourism's new marketing advertisements and presented her Business of Tourism presentation that would be given to the Idaho Falls Chamber of Commerce later that day. This presentation overviewed Idaho tourism growth including lodging collections, tourism location quotient and wages by county, and tourism as an economic engine for Idaho. Ballard outlined marketing goals and brand unification information. (2:30)

COLLECTIONS

Ballard gave council members the economic executive summary from the Governor's office. Although the Council budgeted for 3% growth, tourism collections are at 4.93% growth. (22:00)

Andersen would like to use 3% for next years. Newman projects 5% in her region. Ferguson feels comfortable with 5% in his region. Jaeger believes 5% growth is achievable. Manion and Smith project 5% in Regions II and III. Code is not as optimistic and projects 3%. (23:00)

Jaeger opened discussion to the audience. Chambers said RV has grown from 6% to 12%. (25:00)

BUDGET

Ballard explained that some of the marketing budget is used for salaries. Because Tourism has not received payments from other agencies, there are discrepancies with the Visitor Center costs. Code asked about the status of media marketing; Ballard responded that it will be spent. (26:00)

Ballard projects Tourism may have \$100,000 to spend which can be used in following fiscal year. (27:30)

In the *Other Promotions* category, Tourism over spent in the *Trade Shows* category due to participation in bike trade shows. Ballard explained that there is interest in the state taking the lead with trade shows; however, Ballard would like direction from the council as staff are limited. (28:30)

Ballard explained differences in *Other Promotions*, *Film*, and *Kids Brochure* line items. (30:00)

REVIEW GRANT PRESENTATION PROCESS

Ballard explained how the grant presentations will proceed. (31:30)

Morning Grant Presentations

- Yellowstone-Teton Territory, Donna Benfield

Neman presented Council Choice Award to Ellen Libertine for Best Brochure.

- Snake River Territory CVB, Brad Hudson
- Pioneer Country Travel, Mark Lowe
- Pocatello CVB, Matt Hunter

Newman presented Council Choice Award Linda Schoogens for Best Advertising/Marketing Campaign.

- Sun Valley Marketing Alliance, Arlene Schieven
- Southern Idaho Tourism, Debbie Dane

Director's Update, Jeff Sayer, Director of Department of Commerce, Audio File "ITC May 2013 (4) Director Update with Jeff Sayer"

Sayer complemented room on the level of collaboration in the grant program and Idaho tourism. (0:00)

Sayer wants to learn more about tourism in Idaho and the various tourism teams. (1:15)

Sayer elaborated on the positive momentum in all Idaho business sectors. (2:30)

The legislature was positive toward the concepts that Commerce is bringing to public policy including return on investment and break even analysis. Many are happy about the Opportunity Fund which is a deal closing fund that requires community match, is performance based, and is negotiated. This fund is available to existing Idaho businesses as well as businesses moving to Idaho. (4:00)

Jaeger thanked Sayer for championing Tourism. (6:30)

Integrating Social Media with Rural Tourism, Florian Herrmann, Audio File "ITC May 2013 (5) Integrating Social Media with Florian Herrman"

Herrmann introduced National Park Trips. National Park Trips is ranked number one when it comes to planning a Yellowstone Park trip (Google Search). National Park Trips has 2.8 million qualified travelers. This means they have a 1.3 billion dollar economic impact. (0:00)

National Park Trips wants to bring mobile devices and social media together to market national parks. They are focusing on Google and Facebook, both very different. Herrmann discussed the new Facebook phone by Android as well as Insta-gram and Pinterest. (4:00)

Research shows that the public uses social media for inspiration. The top sites for vacation inspiration are Facebook: 29%, TripAdvisor 14%, Twitter 6%, and Pinterest 4%. 52% *liked* a page of a vacation, and 59% posted status of a vacation. (6:30)

Consumer research consistently shows that 83% of the population considered friends and family to be reliable resources for travel information followed by travel guide books, websites, and online travel agencies. (8:30)

Regarding Idaho, Herrmann posted a picture on Insta-gram of his Idaho vacation. Overnight, he received many "likes" from people he didn't know. Insta-gram has tremendous potential for showing rural Idaho. (11:00)

For the average visitor, a Yellowstone vacation requires complex planning, extensive research, and is a complex task. National Park Trip attempts to make these trips much easier to plan. They are working into social media. (13:30)

National Park Trip reaches 2.8 million people and targets six types of visitors: family escapists, adventure seekers, bucket list, empty nester, geo-tourist, and international visitors. (14:45)

Regarding Yellowstone audience and interest, most drive and are from western United States. He gave traveler profile details. (16:30)

Herrman showed a chart that illustrated types of posts during the trip planning cycle. He outlined National Park Trip's 6 – 10 week campaign with itinerary for a Yellowstone trip. (19:00)

Herrman described some of their packages. National Park Trips would like to create an itinerary that includes all seven regions and Yellowstone. It would include social, digital and print components. He gave examples of how this would work. (23:00)

National Park Trips would like to include a conversion study with the familiarization and sweepstakes. The Idaho Travel Council could negotiate on costs and timeline. (26:30)

Ballard asked about co-marketing which Herrman confirmed is a possibility. (31:30)

Afternoon Presentations

- Southwest Idaho Travel Association, Moya Dolsby Shatz
- Boise CVB, John Cohen
- McCall Area Chamber of Commerce, McKenzie Christensen
- Nampa Chamber of Commerce, Debbie Kling
- North Central Idaho Travel Association, Stephanie Deyo
- Hells Canyon VC, Michelle Peters
- Moscow Chamber of Commerce, Gina Taruscio
- North Idaho Tourism Alliance, Eileen Kain
- Coeur d'Alene Chamber of Commerce, Katherine Coppock
- Greater Sandpoint Chamber of Commerce, Kate McAlister
- Post Falls Chamber of Commerce, Pam Houser
- Idaho Bed and Breakfast Association, Shar Scott
- Idaho Outfitters and Guides Association, Janey Bruesch
- Idaho RV Campground Association, Anne Chambers
- Idaho Ski Areas Association, Tom Stebbins

Other Business and Chairperson Updates, JJ Jaeger, ITC Chair, Audio File "ITC Mar 2013 (6) Other Business and Chairperson Updates"

During the IBBA presentation, Ballard explained that, because of limited staff, she would like to know if the Council would support IBBA representing and marketing Idaho Tourism at consumer trade shows. Sayer and Norton agreed.

Ballard elaborated on National Geographic Society's \$200,000 map proposal. Although the BLM could contribute \$40,000, Ballard pushed back. NGS might come back with a \$100,000 proposal, and Ballard could ask ID Power for help. Ballard requested the Council's input.

Manion asked how many maps would be printed and distributed. Ballard said that they would go quickly. Ballard explained that we don't have any good maps for the Central Rockies. It also entails developing steering committee. This is a very big project with national attention. This could be branding tool for outfitters and guides.

Sayer suggested that members look at other NGS maps because they are high quality. Ballard added that this coincided with 50th anniversary of the Wilderness Act in 2014.

Motion. It was moved (Code) and seconded (Manion) that ITC meeting adjourn. Motion passed.