

**Ad-Hoc DMO Committee Minutes**  
of the Jo Daviess County Board  
Friday, March 29, 2019 @ 12:30 p.m.  
Jo Daviess County Courthouse, Galena  
County Board Room

County Board attendance: Scott Toot, Chair, Brandon Belke, John Lange and Bill Bingham  
GCT Board attendance: Colin Sanderson, Chair, Birgit Radin, Nikki Peebles, Nancy Shady and Merri Sevey  
Other: Dan Reimer, County Administrator, Melissa Hammer, Country Treasurer, Eric Tison, County Zoning, Rose Noble, GCT CEO.

Both groups met to discuss upcoming contract negotiations, proposed 1% tax amendment and vacation rental tax collection, reporting and monitoring.

Toot is impressed with the promotion marketing and managing efforts of GCT thus far and Belken agreed. Bingham added he is extremely impressed and Lange noted GCT is doing a great job.

Discussion quickly moved to vacation rental properties and included talks on research, reporting and monitoring. GCT agrees the County needs a process of reporting. Noble believes GCT staff can assist with that. Hammer presented a report of monies collected in the County from Airbnb properties vs. the States reported collection. (see appendix A) The County is missing money and believes vacation rental property owners need to be educated on tax collection. Airbnb does not collect County taxes but does collect State taxes.

Reimer discussed the importance of Life Safety and the history of the County's Guest Accomodation Licenses (see appendix B).

The group discussed the 1% tax amendment. Some are opposed but agreed the need for emergency services is a must. Belke said the topic is not a top priority of the day, noting we have some time to discuss, as is it will most likely go to constituent vote next spring.

Discussion moved to the County's fee withheld to collect hotel tax. Currently the fee is \$18,000 per year and the County has requested an increase to \$105,000 per year. GCT believes this is too high and would like to discuss a compromise both parties can agree on. Currently the City of Galena, GCT's other client, doesn't collect a fee to collect hotel taxes. GCT has requested a breakdown of tasks required to collect hotel tax. Hammer will create a spreadsheet detailing these actions and will include statutorial responsibilities and office responsibilities. This report will be presented at the next committee meeting scheduled for April 26.

Noble asked the committee what the top priorities are to begin negotiations. The group agreed the following topics need to be addressed:

1. A compromised admin fee withheld to collect hotel taxes
2. Ideas on assistance with monitoring lodging/rental properties

Although they would like GCT to take a neutral position on the proposed 1% tax amendment, the committee agreed this topic can be discussed at a later time.

Toot noted a 5-year contract with GCT would be ideal, Belke agreed. Noble also agreed. Lange noted he was happy with the good marketing by GCT and wanted the group to know he believes the "split" was a bad idea. He looks forward to future discussions.

Next meeting scheduled for April 26, 1 p.m., County Board Room.

