

ECONOMIC DEVELOPMENT and TOURISM COMMISSION
Meeting Minutes
Monday, July 14, 2014

PRESENT: Bill Ackerman Chairman
Rob Megnin
Bernie Krasnoff
Gerrie Russell
Bill Mercier

ALSO PRESENT: Seth Webb, Town of Killington (the “town”) Manager (the “Manager”)
Amy Morrison, Events Coordinator

PUBLIC PRESENT: Vito Rasenas, Richard Kropp, Andy Salamon, Jim Haff, Mike Solimano,
Alice Sciore, Chris Bianci, Patty McGrath

AGENDA:

1. Call to Order
2. Approval of Meeting Minutes from 6/9/14
3. Resort Summer Proposal/Options Tax Reform
3. Citizen Input
4. Chamber Report
5. Resort Update
6. Commissioner's Concerns
7. Date for next Meeting

The meeting was called to order at 3:35 PM.

A motion to approve the minutes of 6/9/14 was made by Bill Mercier and seconded by Rob Megnin.

Seth Webb presented an overview of the Options Tax Reform that he would like to present to the Selectboard after the commission's input. He started with the town's goals and mission, outlined the need for new tourism infrastructure and amenities and the need for continued coordination, long term planning and additional revenue for special events, marketing and business development. Seth referred to a report done by the Strategic Marketing Group in 2012 reviewing the various issues in our community's goal to market itself as a destination. While Options Tax Reform presents some immediate challenges to the town budget due to loss of revenue it also presents new opportunities to accomplish our long term development goals. There are three criteria that are critical to make such a reform a win win for all parties. The criteria for reform are:

1. The resort develops an effective year round tourism plan and provides 1-2 years of successful operations.
2. There is a strong semi-independent third party created to manage the events and marketing the Town has started.
3. The Town has a solid transition plan to insure any increase in taxes is minimized or avoided.

To satisfy the above criteria the town would request a written summary of the resort's plans to invest in summer attractions. A new association should be formed between the Chamber and Resort to manage events and marketing the town has started. This association between the Chamber and Resort could be

called Killington Pico Area Association, known as KPAA and be governed by an executive BOD appointed by the Chamber, the Resort and the Selectboard. This one organization could fulfill the rolls the EDTC, the Chamber, the Town and the Resort now seek to do separately. Funding for such an organization is currently under discussion. To satisfy criteria #3 there would need to be a solid transition plan in place to insure any increase in taxes is minimized or avoided.

A possible time line for the above actions might be that the EDTC review and recommend in July; Resort provides written summary of its plans to invest in summer attractions in July; KPAA agreement developed and executed in August/September; Select board hearings on the subject in August and September; A town wide vote on election day, Tuesday, November 4th.

This will give all parties the time to budget for the impact and will coincide with the beginning of the 2015-16 fiscal year.

At this time the meeting was open for public comment and the following attendees shared their opinions and thoughts.

Vito Rasenas: If we are to give up revenue to support the resort we need to maintain an interest and take an active part. We have the carrot.

Chris Bianchi: Local business will also save on repeal of options tax. Part of this is sent to state.

Mike Solimano: One fact to remember is that the resort is the biggest tax payer and will continue to be so. There is not a lot of risk to homeowners. We feel community and resort will be better off if more summer activity is generated.

Vito Rasenas: Are there any predictions on how much increased business this plan will bring in?

Patty McGrath: We should not be wholly dependent on resort and should look to other sources of income. There needs to be some guarantee the organization would stay strong and push us forward no matter what. If Resort pulls out of proposed KPAA it would sink. Dues as main income may not work and volunteers may get burned out.

Comment by **Seth Webb:** The Resort and the Chamber have been meeting to see where income would come from.

Chris Bianchi: An increase in business dues is one suggestion.

Andy Salamon: I am not a business owner but I pay taxes so I need to understand where the money is going to come from.

Jim Haff: I would like all taxes to go away. We were supposed to be the engine to get this development done but we didn't do the job. How can we ask business to pay more. Maybe their could be a voluntary tax.

Alice Sciore: This organization would need good leadership.

Vito Rasenas: I would like to see a business plan.

Mike Solimano: The projected growth is reasonable. Summer will not be like winter. However there is no bait and switch here. Our intent is to increase summer business. We all will benefit.

Alice Sciore: Maybe details of plan would have to be mailed.

This ended the citizen input portion of the meeting.

Seth then asked the commission members for their preliminary thoughts and comments. The consensus was positive support with qualifying comments regarding the time line, written business plan, perhaps another meeting before presenting to selectboard, concerns about obligations of Resort parent company and maybe more people needed to write business plan.

CHAMBER UPDATE: (Bill Mercier)

Sales for the Wine Fest are ahead of last year because of the caliber of the event and great marketing. On Friday evening there will be an estate tasting, on Saturday, brunch and a grand tasting with the Peak lodge hosting events, and on Sunday wine and golf . There is a wine trail and local restaurants are featuring wine and food pairings. Over 800 people are expected with 300-400 different wines.

RESORT UPDATE: (Rob Megnin)

Summer bookings in general are up from last year. The Spartan Race will draw 14,000 to 15,000 people to the area. Rob shared his own personal story of walking around Stowe, Vermont and Loon, New Hampshire and being astounded at the number of people present on a weekday. Our goal should be to create activity and draw the people here. When he checked the totals for rooms, meals and alcohol in 2013 he found that Stowe generated 104 million compared to Killington's 48 million.

COMMISSIONER'S CONCERNS: None

The next meeting will be Monday, August 11, 2013 at 3:30 PM.

The meeting was adjourned at 5:10 PM.

First Draft
Respectfully Submitted
Gerrie Russell