

**STEAMBOAT SPRINGS ACCOMMODATIONS TAX RESERVE COMMITTEE
MINUTES
March 2, 2017**

The meeting of the Steamboat Springs Accommodations Tax Reserve Committee was called to order at approximately 12:21 p.m. on Thursday, March 2, 2017, in the Crawford Room, Centennial Hall, 124 10th Street, Steamboat Springs, Colorado.

Committee members in attendance were: Chair Larry Mashaw, Scott Marr, Kady Watson, Frank Alfone, Helen Beall, Nancy Kramer and Joella West. City staff member present was Assistant to The City Manager Winnie DelliQuadri. Kathi Meyer represented City Council and arrived approximately 30 minutes into the meeting.

PUBLIC COMMENT ON ITEMS NOT ON THE AGE NDA

Deborah Black: I'm with Steamboat Digs Dogs. We advocate for dog-friendly lifestyle improvements for Steamboat Springs. We're interested in finding out what you all plan to do with the accommodations tax reserve.

Approval of Minutes: January 24, 2017

Frank Alfone moved to approve the January 24, 2017 meeting minutes. Kady Watson seconded the motion. The motion carried unanimously.

Review Committee Purpose

Larry Mashaw: Resolution 2016-43 is what drives our purpose. Section 2: The committee will serve as an advisory committee for the duration of the time needed for the committee to develop a recommendation to Council. Section 3: It will be the responsibility of the committee to identify and evaluate alternatives regarding the accommodation reserved funds to make a recommendation to City Council, ensuring that any use of the funds will aim to fulfill the covenants of the original 1986 accommodations tax ballot language.

Discussion: Committee Process and Timeline/Strategic Alternatives

Winnie DelliQuadri: We got here because there was a steering committee that started the process and wanted to make this a full committee. The steering committee had gotten through the part of identifying the six potential strategic alternative pathways that we could go down and also some questions surrounding all of the pathways except the first one. You can add to the strategic pathways, but I think it was the assumption that you had to decide which direction you were going from that list. You could do multiple directions, but that's a starting place for your consideration.

Helen Beall wanted to see how the city had spent the money when this had occurred in the past.

DelliQuadri: When we first passed it in 1986, the Lodging Committee was the committee that reviewed proposals and made decisions. The first year or two there were some smaller things funded as well as the first Strings tent. It wasn't until the committee had met for a year or two that they settled on the golf course as being the big thing they wanted to do. That used the money for a number of years.

Mashaw: Because of the golf course, there was really no excess. So we weren't quite in the same position that we are now.

DelliQuadri: When this first started, there was money flowing in and a committee that had to look at projects and decide what they wanted to fund. Given that that was 30 years ago, I don't know that that has a lot of validity today.

Mashaw pointed out that according to the language there is no requirement to spend the money within a given time period.

DelliQuadri: Your ultimate goal is to make a recommendation to City Council. The Council that set you on this task will end in October, so a goal might be to get back in front of the Council that set you the task. One thing to talk about is your timelines and milestones. If you decide to spend, you're going to have to have some sort of recommendation about process and parameters. Before you get to that big discussion, you might want to have a spend or no spend discussion.

Watson: How are the projects that will be on the table for discussion getting funneled to this committee?

DelliQuadri: In the past, there was always a call for projects.

Mashaw: There was a request for ideas that was narrowed down, and there was an RFP for more specific proposals.

DelliQuadri: There will need to be some sort of public process. The parameters you put around that process depend upon the strategic path you want to go down.

Mashaw: It is a little chicken-and-egg-ish: Do we spend it or not? How do you know whether you want to spend it or not unless you go down the path of finding out what you could spend it on?

Alfone: I think we should at least have a conversation to strategize on should this committee work with city staff to figure out how much we might have to spend or not to spend moving forward. We had an idea that there might be \$1 million plus or minus at the end of 2017.

DelliQuadri: Kim just provided me with updated projections as of today in terms of where we are and how much money you might have. As of right now, there's \$879,662 in the excess balance. By the end of 2017, it should be \$1.1-1.2 million. If you did decide to do something this year, money for design and construction would not likely flow out until 2018. At that point, it would be almost \$1.5 million.

Alfone pointed out Kim's conservative assumption of 1% growth year over year. That would make the balance in 2023 potentially \$2.8 million.

Marr asked about bonding.

DelliQuadri: In order to commit future dollars and finance with them, you have to get a vote. TABOR restricts the ability to commit future councils to spend money on anything; only the voters can do that.

Mashaw pointed out the alternative of letting the balance grow, which would avoid the need for a vote to fund a large project.

Mashaw highlighted Question 6 in Parameters and Process Questions: What are your requirements for how future maintenance will be handled? Will a permanent agreement or endowment that funds maintenance be required?

DelliQuadri: To what degree do you want to have wide-ranging discussions and reach consensus versus to what degree do you want to really evaluate some of these pathways based on the criteria from the ballot language in a more formal way? When the 2A Trails Committee started looking at evaluating trails in the proposal, they came up with this evaluation sheet. The top categories are really the ballot/resolution language criteria; the bottom categories are the ones they felt it important for them to consider. We could develop a matrix for you that looked at it this way both for the strategic pathways, and if you ended up going through a process, the bottom part could become your parameters. The rankings were 1, 3 and 9 rather than 1-10 because that way you get a bigger spread; you don't have a lot of projects clumped around the same score.

Watson asked if this is how City Council ranks CIP projects; DelliQuadri said they use 1-5 rather than 1, 3, 9 but different categories are weighted more than others.

Watson: I feel it's important to have a little more feedback from City Council on what the expectations are surrounding this committee. I would hate to see us do a ton of work that's immediately shut down by City Council because it's not in line with what they're envisioning.

DelliQuadri pointed to the online video of the discussion that took place around the committee on City Council. She will send a link to the committee as well as City Council's goals for the year.

Alfone confirmed with Meyer that the goals are in no particular order.

DelliQuadri recalled that many groups have made heart-felt pleas to Council for money, and Council always had discussion around the need for a clearer, more thoughtful process regarding distributing this money.

Alfone wondered whether it would be a good idea to see a list of those past requests to get an overview of what has been asked in the past.

DelliQuadri: Staff puts those on the Parked Projects list. The six-year CIP has a long list of projects as well. You could also look at each project that was proposed for the last call for projects.

Mashaw: Looking at those proposed projects and seeing which would qualify under the ballot language would be a great starting point.

DelliQuadri will gather the six-year CIP, the parked project list as well as the previously-proposed accommodations tax projects and send that out prior to the next meeting.

DelliQuadri: I think if you brainstorm some of the driving questions or parameters and have robust discussions on those, that might lead you to choosing some pathways over others because they're more feasible in the short and long term.

Watson asked if the attorney has answered the property question; DelliQuadri said he needs to have them in writing. She recommended that the committee put together a comprehensive list of questions for the city attorney to avoid sending something new every week.

Mashaw recommended looking at past-proposed projects to get a feel for how they addressed these questions of funding and other criteria.

Beall: I don't know whether other projects are going to help me come up with the parameters that I want or skew what my parameters are.

Criteria: Enhance the viability of Steamboat Springs as a premier destination resort, maintain community identity, maintain environmental desirability, maintain economic health, promote tourism.

The top five criteria are eligibility criteria. They could serve as checkboxes as well as a basis on which to rank each project. They will be supplemented by additional criteria tbd.

Committee members agreed that the 2A Trails Committee criteria makes for a good template that can be modified appropriately.

Mashaw wanted to make sure people knew from the beginning that this is a smaller pool of money than was available in the past and that it is annualized.

Mashaw confirmed with Meyer that this committee was not intended to be a standing committee; it was created to make a single recommendation to Council.

DelliQuadri pointed out that the committee could recommend that Council fund projects according to certain criteria internal to the budgeting process, or at the opposite end of the spectrum, create parameters and solicit project proposals from the community.

Mashaw wanted to clarify with the city attorney whether a project must be something new or whether it can be an improvement to an existing facility.

Meyer recalled that Dan had said that an upgrade would be viable but deferred maintenance would not be.

Timeline:

Meyer will keep Council updated through Council Reports.

Committee members seemed to prefer a public project solicitation process.

Mashaw cautioned that there may be so many previously-proposed projects that meet the eligibility and feasibility criteria that it wouldn't make sense to solicit additional ideas that have a small chance of being selected.

West argued that the Council wanted the committee to help them by evaluating community project proposals and that if the committee shut off this process or did not allow it to take place, these people would ultimately end up before City Council anyway.

Mashaw: If by October we want to already have gone through the RFI process, when would we need to get out the RFI?

Committee members thought June would be good; DelliQuadri thought a drop-dead date would be July 12. Process details would be hashed out in April-May.

DelliQuadri suggested checking in with City Council in May with the proposal, parameters and criteria.

There may need to be more frequent meetings until the process is released. Meeting frequency could decrease while the call for projects is out, followed by an increase in frequency to evaluate projects and make the final recommendation to City Council.

Brainstorm: Future Discussion Questions

Is there a particular genre of project that's most desirable? (arts/culture, parks/rec, etc.)

Can a project be conceptual?

Does it need to be part of an adopted plan?

Committee members agreed that projects can be conceptual.

Next Meeting Agenda

Strategic alternatives and criteria discussion, review parked projects/CIP/previous proposals to create a template/ranking criteria, possibly review ethics and answer legal questions with City Attorney Dan Foote.

Adjournment

Frank Alfone moved to adjourn the meeting at approximately 1:32 p.m. Nancy Kramer seconded the motion. The motion carried unanimously.

MINUTES PREPARED, REVIEWED AND RESPECTFULLY SUBMITTED BY: Timothy Keenan and Winnie DelliQuadri. Approved this 6th Day of April, 2017.