

Town of Liberty Grove
Minutes of the Town Board meeting on July 21, 2021
(this meeting was correctly posted)

Agenda:

1. Call to order
2. Declaration of a quorum followed by pledge of allegiance
3. Approve Agenda
4. Adjourn to closed session per Stat. 19.85 (1)(g): confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved-pending litigation with Village of Sister Bay and the wastewater treatment plant
5. Reconvene into open session
6. Announcements from closed session
7. Approve Minutes: 6/28/2021 Special Board, 7/7/2021 Board
8. Payment of bills
9. Treasurer's report
10. Public input
11. Door County North activities
12. Utilities Committee Report
13. Xpress Bill Pay for LGUD#1 customers
14. Tourism Zone Report
15. Memo of Understanding between Town of Liberty Grove and Nsight
16. Resolution -21, In Support of 2022 PSC Grant Application with Nsight
17. Ordinance 6-21, Driveways
18. Appointment to Library Commission
19. Operator license(s)
20. Correspondence
21. Future meetings
22. Adjourn

Chairman John Lowry called the meeting to order at 7:12pm. Supervisors Paul Schwengel, Janet Johnson, Cathy Ward, and Nancy Goss were present along with Administrator Walter Kalms Clerk/Treasurer Anastasia Bell, and 3 members of the public.

Goss moved, Johnson second to approve the agenda as posted. Passed 5-0.

Lowry moved, Goss second to adjourn to closed session per Stat. 19.85 (1)(g): confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved-pending litigation with Village of Sister Bay and the wastewater treatment plant. Roll call with Johnson, Lowry, Goss, Schwengel, and Ward voting aye, no nays. Passed 5-0.

Lowry moved, Goss second to Reconvene into open session. Passed 5-0.

Announcements – None.

Ward moved, Johnson second to approve the minutes from 6/28/21 Special Town Board meeting as presented. Passed 5-0.

Goss moved, Schwengel second to approve the minutes from 7/7/2021 as presented. Passed 5-0.

Payment of bills – Ward moved, Goss second to approve the payment of bills as presented, totaling \$32,892.47. Passed 5-0.

Treasurer's report – Bell reported the following Town account balances as of June 30, 2021:

Municipal Checking	1,239,298.60
Money market acct.	648,985.06
Checking	165,672.31
Utility Dist.	584,188.64

As of June 30, 2021, total in all Town accounts was \$2,638,144.61. **Goss moved, Lowry second** to approve the Treasurer's report as presented. Passed 5-0.

Public input – None.

Door County North – Mickie Rasch reported that July 4th and the Sea Kayak Symposium events went well and the upcoming events include the Historical Society Tractor Show and First Responder Brick Dedication and the Poodle-palooza in Gills Rock.

Utilities Committee report/Xpress Bill Pay – Lowry reported this item was tabled in the Sanitary District meeting.

Tourism Zone Report – Ward reported that 14 municipalities have agreed to the tax increase which will require a new ordinance, intergovernmental agreement and memorandum of understanding for the funds. She noted that progress continues legislatively to correct the zip code reporting issues.

Memo of Understanding with Nsight – The funding amounts for each entity were confirmed within the memo. **Lowry moved, Ward second** to adopt the memo as presented. Passed 5-0.

Resolution 8-21, Supporting ARPA PSCW Broadband Access Grant Application For Fiscal Year 2022 – the resolved section was modified to read "...pledges \$245,000, if approved, towards...". **Lowry moved, Goss second** to approve Resolution 8-21 as amended. Passed 5-0.

Ordinance 6-21, Driveway Ordinance – It was clarified that a permit would be required for driveways from private roads only if there is a structure to be accessed. **Lowry moved, Schwengel second** to approve Ordinance 6-21 as presented. Passed 5-0.

Library Commission Appointment – Lowry noted a representative is needed for the Town.

Correspondence – Larsen letter in opposition to mowing the ditches, rip-rap permit for Mariners Park, and Thank you from Linda Brooks.

Open Book will be 8/2/2021 10:00am – 12:00pm. Board of Review will be 8/18/2021 1:00pm – 3:00pm. The next Town Board meeting will be Wednesday, August 4, 2021 at 7:00pm.

Lowry moved, Goss second to adjourn at 9:13pm. Passed 5-0.

Respectfully submitted,
Anastasia Bell, Clerk/Treasurer



DOOR COUNTY TREASURER

County Government Center
421 Nebraska Street
Sturgeon Bay, WI 54235

RYAN SCHLEY
DOOR COUNTY TREASURER
(920) 746-2286
rschley@co.door.wi.us

May 21, 2021

Ref: Tax Collection Agreement

Greetings,

I just wanted to take a moment to reach out to you with some changes that have been in the works over the last few weeks in the treasurer's office. These changes are being implemented due to the length of time that has passed since they were last updated and approved.

Tax Collection Agreements:

As many of you know, the agreement between the County and your Municipality may not have been updated in some time. Please find included with this letter a new revised contract/agreement that will need to be reviewed and approved by your Town Board. Please fill in the appropriate Town contact information on the agreement, should there need to be any further correspondence in regards to the Tax Collection process. Please return the signed copy to the Administrator's office for his approval and signature.

Tax Collection Charge:

Along with the agreement, the County has taken a look at the amount that was being charged per parcel for the County to do the collection of 1st installment payments. This also has not been updated in quite some time, and we were well behind the state average for Counties that provide first half collection services. Through discussion with the Administrator and Finance Director we brought forward a recommendation on a charge to the Finance Committee at their May 17th meeting. The charge for the 2021 tax collections was approved by the committee at \$1.43 per billable parcel. This is also outlined in the contract and will be re-assessed annually going forward.

If you have any questions, please feel free to reach out to us and we will be glad to help out.

Ryan Schley
Door County Treasurer

INTERGOVERNMENTAL AGREEMENT
[Tax Collection]

This Agreement is made this 21st day of May, 2021 by and between Door County ("County"), and the Town of Liberty Grove ("Municipality"), each a public body corporate within the State of Wisconsin.

Whereas, the intergovernmental cooperation contemplated herein serves legitimate public purposes, including activities related to tax collection; and

Whereas, this Agreement is deemed to be of benefit to each of the parties and is consistent with their powers or duties under law.

IT IS THEREFORE AGREED AS FOLLOWS:

1. This is an intergovernmental Agreement consistent with, and a cooperative arrangement as allowed by, Section 66.0301, Wisconsin Statutes.
2. This Agreement shall become effective and binding when it is fully executed and delivered.
3. Activities related to tax collection are in the public interest, and constitute a public use and purpose.
4. Municipality designates County as its agent for the billing and collection of real estate and personal property taxes, special assessments and charges levied by the Municipality.
5. The County, under the terms of this Agreement, agrees to provide tax billing and collection services to the Municipality.
6. The Municipality agrees to pay the County Treasurer for performing these services in accordance with the terms of this Agreement.
7. Municipality shall furnish to the County Treasurer the real estate assessments, personal property assessments, special charges and special assessments for each parcel along with the mill rate to be applied to the real estate and personal property taxes to the County Treasurer no later than December 8th of the year preceding the year the taxes become due.
8. The County Treasurer will not collect information or fees relating to dog licenses.
9. The County Treasurer will prepare appropriate tax bills for each Municipality specifying full payment or first installment payment due dates for real estate and personal property taxes and special charges and special assessments.
10. The tax billings will be mailed to the taxpayer by the Municipal Treasurer.
11. The County Treasurer will process the mail and counter collections of first and full payments of real estate property taxes and personal property taxes, special charges and special assessments on behalf of Municipality.
12. Payments received by Municipality directly will be transmitted along with the postmarked envelope or other notation as to the date of receipt by Municipality to the County Treasurer immediately. County will note timeliness as to payment according to postmark or date certified by Municipality. However, date of actual receipt of funds will govern County's receipt and deposit dates.

13. The County Treasurer will deposit collections daily. Collections will be credited the next working day into the Municipality's own interest-bearing account.
14. Municipality will, on or before January 15th, settle for all collections received through the last day of the preceding month. Wis. Stat. §74.23
15. Municipality will, on or before February 20th, settle for all collections received through the last day of the preceding month and all amounts timely paid under Wis. Stat. §74.69 (1) which were not settled for under Wis. Stat. §74.23.
16. Municipality shall pay the school portion of their levies from information provided by the County Treasurer's office on or before the statutorily prescribed dates.
17. Municipality shall pay to County the County Treasurer's additional costs associated with the billing and collection under the Agreement. In general, the County will charge actual and indirect costs for billing, preparation of paid tax receipts, additional assistance required by the County Treasurer, any actual costs incurred by the County Treasurer by failure of the Municipality to meet deadlines and other costs directly attributable to the failure of the Municipality to follow the terms of this agreement.
18. The County Treasurer will prepare a cost reimbursement billing for each Municipality based upon a reimbursement formula approved by the County Finance Committee. The billing of the specific amount for Municipality will be sent to Municipality on or before January 1st and paid by Municipality on or before March 1st.
19. Municipality shall be given six (6) months' prior notice of any amendments in the method of charging for services provided by the County Treasurer.
20. Each party is responsible to designate an employee or official ("contact person"), who is responsible for administration of this Agreement. The contact persons are as follows:

a. Municipality:

Name:
Phone:
E-Mail:

b. Door County:

Ken Pabich, County Administrator
Phone: 920-746-2303
E-Mail: kpabich@co.door.wi.us

Contact person may be changed upon prior written notice to the other party.

21. The parties hereto agree to exercise good faith, make reasonable efforts, and take whatever cooperative action is necessary to fulfill the intent and purposes of this Agreement.
22. Any notices required or permitted hereunder shall be given in writing and shall be delivered (a) in person, with proof of service, (b) by certified mail, postage prepaid, return receipt requested, (c) by registered mail, postage prepaid, with evidence of safe delivery from the U.S. Postal Service or (d) by a commercial overnight courier that guarantees next day delivery and provides a receipt, and such notices shall be addressed as follows:

a. Municipality:

Name
Address

b. County:

County Administrator
County Government Center
421 Nebraska Street
Sturgeon Bay, Wisconsin 54235

Any notice shall be effective upon delivery.

23. The waiver by a party of any breach or failure of the other party to perform any covenant or obligation contained in this Agreement shall not constitute a waiver of any subsequent breach.
24. If a dispute between any party hereto arises out of or relating to this Agreement, and cannot be settled through direct discussions, each party agrees to first endeavor to settle the dispute by alternative dispute resolution before recourse to a court.
25. If any covenant, condition, provision, or term of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, the remaining covenants, conditions, provision, or terms of this Agreement shall not be affected thereby, but each covenant, condition, provision, or term of this Agreement shall be valid and in force to the fullest extent permitted by law.
26. Parties irrevocably submit themselves to the original jurisdiction of the Circuit Court, Door County, State of Wisconsin, with regard to any controversy arising out of, relating to, or in any way concerning this agreement.
27. This Agreement shall be subject and subordinate to applicable federal or state, laws, codes, regulations, ordinances, rules and orders.
28. The agreement shall continue until terminated by either party upon one (1) year prior notice to either party. The notice of termination shall be effective as of the last date of the month in the month given with the termination to take effect two years from the end of that month.
29. This Agreement is to be used only when Municipality has elected the two-payment system under section 74.11 Wis. Stats.
30. This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement. Any amendments, changes or modification of this agreement shall be effective only when made in writing and executed by the parties.
31. The fee that was approved by the County Finance Committee for the 2021 tax collection season is \$1.43 per billable parcel.

Accepted and agreed this ___ day of _____, 2021. Accepted and agreed this ___ day of _____, 2021.

Ken Pabich

Door County Administrator

Town of Liberty Grove



City of Sturgeon Bay
421 Michigan Street
Sturgeon Bay, WI 54235
jvanlieshout@sturgeonbaywi.org

Joshua J. Van Lieshout
City Administrator

920-746-6905 (Voice)
920-746-2905 (Fax)

Memorandum

To: Town and Village Boards

From: Josh Van Lieshout, Chair, Door County Tourism Zone Commission

Re: Intergovernmental Agreement and Lodging Tax Ordinance

Date: July 28, 2021

Attached are the long anticipated revised Lodging Tax Ordinance and Intergovernmental Agreement. The successful passage of these documents will implement a number of changes, the most visible being changing the lodging tax rate from 5.5 to 8 percent, however there are a number of other important changes to the Lodging Tax Ordinance that provide for a modernization and strengthening of the reporting, compliance and enforcement provisions.

Tourism Zone Commission attorney William Vande Castle, S.C. has been working on the updates. He is the same attorney who previously worked on drafting the original ordinance and intergovernmental agreement. He is also the attorney who prosecutes the lodging tax ordinance on behalf of member municipalities.

All of the changes have been reviewed and approved by the Tourism Zone Commission whose members are appointed by each municipality in the Zone.

In order for the rate and additional enforcement tools to become effective, thirteen of the nineteen-member municipalities' legislative bodies must pass the same ordinance and intergovernmental agreement. Wisconsin state laws that authorize municipalities to form a tourism zone such as ours, also prohibit municipalities from having different lodging tax rates and authorizing ordinances if they are in the same zone. If a municipality chooses not to pass the revised Ordinance and Intergovernmental Agreement initially and later decided to do so, they would rejoin the Commission.

Tourism Zone Commission Attorney William Vande Castle has offered to attend meetings to answer questions. If you would like him present that will be scheduled, please reach out Juliana Behme at Commission office. It is my intention, as well as that of Vice Chair David Eliot to attend as many meetings as possible to answer questions.

For your convenience and use, on the following pages is a summary of the approved changes to the Lodging Tax Ordinance.

SUMMARY OF CHANGES: UNIFORM LODGING TAX ORDINANCE

Approved by the Door County Tourism Zone Commission

June 3, 2021

- **Section 1, Definitions.** A number of revisions of the original definitions to be consistent with the amendatory nature of the agreement. Several new definitions were added which come from the provisions of the state statute Sec. 66.0615, Stats.
 - **Section 1(d), Gross Receipts, Definitions.** To align with provisions effective January 1, 2020, 2019 Wis. Act 10 clarifies that a marketplace provider is required to collect and remit sales or use tax for all sales of taxable products and services in Wisconsin that the marketplace provider facilitates on behalf of a marketplace seller, as provided in secs. 77.52(3m)(a) and 77.523(1), Wis. Stats.
 - The Act also reverses the effect of the decision in Orbitz, LLC vs. Wisconsin Department of Revenue, (Wisconsin Court of Appeals, District IV, February 11, 2016) by requiring marketplace providers that facilitate sales of all services under sec. 77.52(2), Wis. Stats., including lodging services, to collect and remit sales or use tax on the entire amount charged to a purchaser, as provided in sec. 77.52(3m)(a), Wis. Stats.
- **Section 2, Creation of the Tourism Zone.**
 - **Section 2(a), Establishment and Authorization.** This section has been modified to be consistent with the provisions of Sec. 66.0615(1m)(b)(2), Stats., that authorizes municipalities to join together under a Sec. 66.0301, Stats., Tourism Zone Agreement to form and establish a "Tourism Zone" consisting of two or more municipalities.
 - **Section 2(b), Tourism Zone Operation.** This section has been modified to be consistent with the provisions of Sec. 66.0615(1m)(b)(2), Stats., that authorizes municipalities to join together under a Sec. 66.0301, Stats., Tourism Zone Agreement to form and establish a "Tourism Zone". The Zone shall administer and monitor the collection of room taxes from member municipalities as described in Section 6. This section also outlines that the Zone shall contract with one tourism entity from the municipalities to promote the zone to visitors.
- **Section 3, Imposition of Room Tax.** A number of the changes addressed by the Commission are incorporated into the sub-provisions of this Section.
 - **Section 3(a), Tax Imposed.** The tax rate was increased to 8% from 5.5%.
 - **Section 3(b), Taxation Effective Date.** The effective date will be the agreed upon effective date of the room tax increase (which currently is January 1, 2022).
 - **Section 3(c), Room Tax Payment Frequency.** Language to account for the slow down in USPS mailing allows for member municipality room tax distribution checks to arrive "on or before the end of each month".

- **Section 3(d), Room Tax Responsibility.** This provides more specific obligation of the Lodging Provider for the collection and transmittal of the room tax to the commission. This revision was brought about by the necessity to identify the ultimate responsible party for the collection and payment of the room tax. In the collection and enforcement process we have sometimes encountered the situation where the property owner uses an agent and, where there has been a filing or a tax payment issue, the property owner has blamed the agent and, vice-versa. This change will eliminate the finger pointing game. This change also corresponds with the provisions of Subsection (d). The language of this Subsection has also been modified to include reference that should the Lodging Provider sell, transfer, or convey their Door County lodging business or property, the transferee of that business, as a condition of receiving a new Lodging Permit, will become liable for any unpaid, outstanding tax liability associated with that property, including any fees, interest or penalties that might also be due.
 - **Subsection 3(e)(1), Filing Date.** This subsection has been added to restate the mandatory time frame for filing the Monthly Room Tax Return. Additionally, to address Marketplace Provider reporting that may change under AB189/SB198 a flexible reporting language has been added, "The room tax report filed by a Marketplace Provider shall be filed by the end of the month following the month in which room tax was reported by that return unless otherwise provided by state regulation."
- **Subsection 3(e)(1), Required Information.** Additions to this section include: Marketplace Sales and the amount of tax paid by each Marketplace Provider as required reporting information.
- **Subsection 3(e)(3), Amended or Corrected Room Tax Return.** This subsection has been added to address the concern for filing amended or corrected Monthly Room Tax Returns. This subsection also provides for an administrative filing fee for the filing the amended or corrected return. This section now provides a window aligned with WI DOR to amended returns, forty-eight (48) months after the filing of the original return that is being corrected. Language allowing amended returns to be subject to interest, penalties and late fees has been added as well.
- **Section 3(f), Delinquent Room Tax.**
 - The section was modified to also include non-compliance. This subsection now addresses both the failure to pay the room tax due but also failure to obtain a Lodging Permit and failure to file Monthly Room Tax Returns.
 - Legal counsel noted that, "For clarification, I have separated out the various provisions of Subsection (f), to follow the separate Statutory sections that are embodied in this Subsection. Much of the language remains the same but instead of one large Subsection there are several small Subsections each related to a specific Subsection in Sec.66.0615, Stats."
 - **Subsection(f)(2), Failure to Timely File Monthly Room Tax Report.** An addition to the language was added to read, " but not less than \$25.00"

- **Subsection (f)(5), False or Fraudulent Return.** This section has been modified to add the following penalty language for a false or fraudulent return, “a penalty of fifty (50%) percent of the tax determined to be due; twenty-five (25%) percent of the room tax due from the previous year; or, \$5,000.00, whichever is less...”
 - **Section 3(f)(7), Prosecutions.** This subsection remains unchanged. It continues to provide that a Lodging Provider who has been found to have violated the Ordinance is also subject to pay all of the Commission’s costs of enforcement and prosecution, including the Commission’s actual attorney’s fees.
- **Section 4, Lodging Establishment to be licensed.**
 - Section 4(b), permit Application. The provisions of Section 4(b) calling for annual renewals of the Lodging Permit were deleted.
 - **Section 4(b)(1)** now includes the necessity for the name of the business in which is permitting the property must agree with that used for Sales Tax Permits and Property Tax Records.
 - **Section 4(b)(5)** now includes that the permit applicant must supply their driver’s license number and or Federal Employer Identification Number of the operator of the business.
 - **Section 4(b)(7)** was added to close the loophole on permit holders saying they are closed and still operating. “Operating months indicated on the permit application must match all advertised availability.”
 - **Section 4(b)(8)** was added to include the Online Listing ID(s) for the property.
 - **Section 4(d), Records Retention.** Language was added to include guidelines for records retention.
 - **Section 4(e), Lodging Permit Deactivation.** This section was created to define how to deactivate a permit and the requirements to do so.
- **Section 5, Lodging Marketplace Providers to be Licensed.**
 - **Section 5(a), License Required.** This section was added to establish the requirement that Marketplace Providers must be permitted locally.
 - **Section 5(b), Permit Application.** Language was added to create an outline of the required information for Marketplace Providers.
 - **Section 5(c), Permit Review and Issuance.** This section establishes the authority of the Commission to review and issue the Marketplace permits.
 - **Section 5(d), Records Retention.** Reviews the requirements of record keeping for Marketplace Providers.

- **Section 5(e), Lodging Marketplace Provider Permit Deactivation.** This section reviews the steps required to deactivate a Marketplace Provider permit.
 - **Section 5(e)(1)** requires the Marketplace Platform to cease activity with the request for deactivation.
 - **Section 5(e)(2)** establishes that the Marketplace Platform permit will not be deactivated unless the reporting and payments are current and paid in full.
- **Section 6, Creation of A Commission.**
 - **Section 6(a), Commission Purpose.** This section is updated to reflect 70% distribution to the contracted Tourism Entity
 - **Section 6(c), Commission Member Appointment Process and Terms of Office.** In this section, the word “agreement” is stricken so that the sentence reads, “While membership on the Commission is provided for each municipality in the Tourism Zone, all membership positions need not be filled if a municipality does not see a need.
 - **Section 6(g), Commission Operational Funding.** Language was added to address the revised funding structure for the operation of the Commission with the removal of withholding the 4% to fund the Door County Tourism Zone Commission. This Subsection now includes provisions that provide that funding of the Commission’s operations is to be paid directly by member municipalities.
 - **Section 6(g)(1), Commission Administrative and Operating Expenses.** This section identifies the Commission’s administrative and operating expenses that are to be funded by the member municipalities.
 - **Section 6(g)(2), Additional Commission Administrative Expenses.** This section identifies the Commission’s administrative expenses relating to Commissioner’s that are also to be funded by the member municipalities through the Commission. The previous reference to “administrative assistant” has been revised to “staff”. Additionally, language was updated to include accounting fees and fees for the annual audit as a Commission administrative expense.
 - **Section 6(g)(3), Calculation of Municipal Contribution.** This section describes the mechanism and methodology for calculating and determining each member municipality’s annual contribution to the Commission’s administrative and operating expenses. It also provides that the Commission may withhold payment of a member municipality’s thirty (30%) percent share of the collected room tax revenues until that municipality makes its required administrative contribution.
- **Section 7, Distribution of Room Taxes Collected.**
 - **Section 7(1), Tourism Promotion and Development.** This section has been updated to reflect the 70% to be allocated for the expenditure of tourism promotion and development. This is a fundamental change in operations.
 - **Section 7 (1)(a)-(b).** Previously, the Tourism Zone has distributed the marketing portion for tourism promotion and development to Destination Door County.

This section along with Section 2(b) and Section 6(g) outline the engagement with the Tourism Entity. Section 7 outlines that the Tourism Entity would only receive a budgeted amount of revenue for destination marketing (tourism promotion and development) and the excess revenue would then be established to contain funds in excess of the approved annual tourism entity budget (DDC) to be used exclusively for such tourism promotion or tourism development projects as the Commission shall, from time to time so determine in the manner made and provided herein per Section 1 (l)/Section 7(b).

- The municipal allocation remains at the statutory 30% distribution.

- **Section 8, Tourism Entity.**

Signature:  Title: Chairperson
Josh Van Lieshout
Door County Tourism Zone Commission

TOWN OF LIBERTY GROVE
ORDINANCE 7-21
ROOM TAX ORDINANCE

The Town Board of the Town of Liberty Grove (herein after referred to as “Town”), in the County of Door, State of Wisconsin, does hereby ordain as follows:

Ordinances 2-07, and 12-07 are hereby repealed.

Section 1 DEFINITIONS

In this Ordinance, the following words and phrases shall have the following meanings when used in this Contract, unless the context clearly indicates a different meaning is intended:

- (a) “*Commission*” has the meaning defined in Sec. 66.0615(a), Wis. Stats.
- (b) “*Door County Tourism Zone*” shall mean the Tourism Zone authorized and establish in Door County, Wisconsin pursuant to the provisions of Sec. 66.0615, Wis. Stats., under the provisions of the Tourism Zone Agreement among the municipalities participating therein.
- (c) “*Door County Tourism Zone Commission*” shall mean the Commission established hereunder for the administration of the room tax pursuant to Sec. 66.0615, Wis. Stats.
- (d) “*Gross Receipts*” shall mean the total revenue received from the retail furnishing of rooms, lodging, or similar accommodations by a Lodging Provider as defined herein, including any Lodging Marketplace provider service fees.
- (e) “*Hotel and Motel*” have the meaning as defined in Sec. 77.52(2)(a)1, Wis. Stats., as being a building or a group of buildings in which the public may obtain accommodations for a consideration, including, without limitation, such establishments as inns, motels, tourist homes, tourist houses or courts, bed and breakfast establishments, lodging houses, rooming houses, summer camps, apartment hotels, resort lodges and cabins, commercial indoor lodging facilities and any other building or group of building in which accommodations are available to the public, except accommodations rented for a continuous period of more than thirty (30) consecutive days and accommodations furnished by any hospitals, sanitariums or nursing homes or by corporations or associations organized and operated exclusively for religious, charitable or educational purposes provided that no part of the net earnings of such corporations and associations inures to the benefit of any private shareholder or individual.
- (f) “*Lodging Permit*” shall mean the permit issued by the Commission to Lodging Providers authorizing the furnishing, at retail of rooms or lodging to Transients by hotelkeepers, motel operators, lodging marketplaces, owners of short-term rentals, and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for use of the accommodations.
- (g) “*Lodging Marketplace*” or “*Lodging Marketplace Provider*” shall mean an entity that provides a platform through which an unaffiliated 3rd party offers to rent a short-term rental to an occupant and collects the consideration for the rental from the occupant.
- (h) “*Lodging Provider*” shall mean the operator of a Hotel or Motel, as defined herein above.

- (i) *“Member Municipalities”* shall mean the municipalities located in Door County, Wisconsin which have created and established the Door County Tourism Zone and the Door County Tourism Zone Commission to operate and administer the Tourism Zone.
- (j) *“Municipality”* means the Town of Liberty Grove, Door County, Wisconsin.
- (k) *“Payor”* means the transient lodging person or entity who owes the tax imposed by this ordinance.
- (l) *“Reserve Fund”* means the fund established and maintained by the Commission containing funds in excess of the approved annual Tourism Entity budget to be used exclusively for such tourism promotion or tourism development projects as the Commission shall, from time to time so determine in the manner made and provided herein.
- (m) *“Room Tax”* means the tax imposed pursuant to this ordinance for the privilege of furnishing, at retail, except sales for resale, rooms or lodging to transients by hotelkeepers, motel operators and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for use of the accommodations, subject to the exceptions provided in Sec. 66.0615(1)(m)a, Wis. Stats.
- (n) *“Tourism”* has the meaning as defined in Sec.66.0615(1)(e), Wis. Stats., as being any travel for recreational, business or educational purposes.
- (o) *“Tourism Entity”* shall mean a nonprofit organization that came into existence before January 1, 2015, spends at least 51 percent of its revenues on tourism promotion and tourism development, and provides destination marketing staff and services for the tourism industry in a municipality, except that if no such organization exists, a municipality may contract with one of the following entities:
 - 1. A nonprofit organization that spends at least 51 percent of its revenues on tourism promotion and tourism development, and provides destination marketing staff and services for the tourism industry in a municipality; or
 - 2. A nonprofit organization that was incorporated before January 1, 2015, spends 100 percent of the room tax revenue it receives from a municipality on tourism promotion and tourism development, and provides destination marketing staff and services for the tourism industry in a municipality.
- (p) *“Tourism promotion and development”* has the meaning as defined in Sec. 66.0615(1)(fm), Wis. Stats., as being any of the following that are significantly used by transient tourists and reasonably likely to generate paid overnight stays at more than one establishment on which a tax under sub. (1m) (a) may be imposed, that are owned by different persons and located within a municipality in which a tax under this section is in effect; or, if the municipality has only one such establishment, reasonably likely to generate paid overnight stays in that establishment:
 - 1. Marketing projects, including advertising media buys, creation and distribution of printed or electronic promotional tourist materials, or efforts to recruit conventions, sporting events, or motorcoach groups.

2. Transient tourist informational services.
 3. Tangible municipal development, including a convention center.
- (q) “*Tourism Zone*” has the meaning as defined in Sec. 66.0615, Wis. Stats. as being an area made up of two or more municipalities that, those municipalities agree, is a single tourism destination as perceived by the traveling public.
- (r) “*Tourism Zone Agreement*” shall mean an intergovernmental agreement created under the provisions of Sec. 66.0301, Wis. Stats., for the purpose provided under Sec. 66.0615(1m)(b)2, Wis. Stats.
- (s) “*Tourism Zone Audit*” shall mean the annual Room Tax audit to be performed by the Commission and provided to the Member Municipalities.
- (t) “*Transient*” has the meaning as defined in Sec. 77.52(2)(a)1, Wis. Stats., as being any person residing for a continuous period of less than thirty (30) consecutive days in a Hotel, Motel, or other furnished accommodations available to the public.

Section 2 CREATION OF TOURISM ZONE

- (a) Establishment and Authorization. Pursuant to Sec. 66.0615(1m)(b)(2), Wis. Stats., the Town of Liberty Grove does, by the adoption of this Ordinance, re-affirm the establishment and its membership and participation in the Door County Tourism Zone for the purpose of promoting Door County, Wisconsin as a single tourism destination under and pursuant to the terms and conditions of the Tourism Zone Agreement.
- (b) Tourism Zone Operation. The Tourism Zone shall be administered and operated by a commission pursuant to Sec. 66.0615(1m)(b), Wis. Stats., which shall be established under a contract with the other Member Municipalities pursuant to Sec. 66.0301, Wis. Stats., to create a commission which shall administer and monitor the collection of room taxes from the Member Municipalities, as more particularly described in Section 6 hereof, and shall contract with one tourism entity from the municipalities in the zone to obtain staff, support services and assistance in developing and implementing programs to promote the zone to visitors.

Section 3 IMPOSITION OF ROOM TAX

- (a) Tax Imposed. Pursuant to Sec. 66.0615, Wis. Stats., a tax is hereby imposed on the privilege and services of furnishing, at retail, of rooms or lodging to transients by hotel keepers, motel operators and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for the use of the accommodations. Such tax shall be at the rate of 8.0% percent of the gross receipts from such retail furnishing of rooms or lodgings. Such tax shall not be subject to the selective sales tax imposed by Sec. 77.52 (2)(a)1, Wis. Stats., and may not be imposed upon sales to the Federal Government and persons listed under Sec. 77.54 (9a), Wis. Stats.
- (b) Taxation Effective Date. The effective date of the Room Tax shall be January 1, 2022.

- (c) Room Tax Payment Frequency. Subject to the Room Tax exemptions provided in Section 3(a) hereof, the Lodging Provider shall impose upon and collect from each Transient Lodger the Room Tax established Section 3(a) hereof and paid by the lodging property thereafter pay over the collected Room Tax to the Commission on a monthly basis. The Room Tax collected hereunder shall be paid by the end of the month following the month in which it was collected. The Room Tax is owed to the local municipality which imposed the tax, but the municipality directs that all checks be sent directly to the Commission. If the Room Tax payments for all properties in a municipality are sent directly to the Commission, the Commission will send one check by the on or before the end of each month to the municipality for thirty percent (30%) of all Room Tax collected the previous month along with a report showing the amount of Room Tax collected from each lodging property. In the latter case, the Commission does all the paperwork as part of their monitoring.
- (d) Room Tax Responsibility. The correct amount of Room Tax shall accompany each lodging property's monthly room tax return and be made payable to the Door County Tourism Zone Commission unless any portion of that Tax is otherwise collected and paid to the Commission by a Lodging Marketplace. If any person liable for any amount of tax under this agreement sells, transfers, assigns or conveys their transient lodging business, or their lodging property, their successors or assignee shall, as a condition of receiving a new Lodging Permit under the provisions of Section 4 hereof, withhold a sufficient amount of from the purchase price to cover any and all applicable taxes, fees, interest and penalties, if any, until the former owner produces a receipt from the Commission that all such taxes, fees, interest and penalties have been paid or a certificate stating that no amount is due. If any person subject to the tax imposed by this agreement fails to withhold from the purchase price any tax, fees, interest or penalties otherwise due hereunder as required, they shall be personally liable for the payment thereof, even if such new owner of the lodging property is not continuing the transient lodging business.
- (e) Monthly Room Tax Return.
- (1) Filing Date. The Monthly Room Tax Return shall be filed by the Lodging Provider by the end of the month following the month in which the room tax reported by that Return. The Room Tax Report filed by a Lodging Marketplace Provider shall by filed by the end of the month following the month in which the room tax reported by that Return unless otherwise provided by state regulation.
 - (2) Required Information. The Monthly Room Tax Return filed with the room tax payment by the Lodging Provider shall contain the following information:
 - a. Name of the business,
 - b. Physical address, postal address, municipality located within,
 - c. Name of the designated person filling out the return,
 - d. Month and year the Return is for,
 - e. The total available rental units during the month (number of rental units in the facility multiplied by the days in the month or days they were open),
 - f. The total marketplace sales, the amount of room tax paid by each Lodging Marketplace Provider,
 - g. The number of rooms or units rented, total lodging sales for the month,
 - h. The room tax to be paid, (which should equal total lodging sales multiplied by the 8.0% Room Tax), and

- i. The signature of the person filling out this return, attesting to the accuracy of the Return.

This information will allow the Commission to judge the accuracy of the return, and, with all returns in total, to judge the effectiveness of the tourism promotion. The Commission shall establish the form of the monthly tax return as either a paper and/or electronic document.

- (3) Amended or Corrected Room Tax Return. A Lodging Provider may, within forty-eight (48) months of the original filing date file an amended or corrected Monthly Room Tax Return. Such amended or corrected Monthly Room Tax Return shall be subject to any additional tax due plus associated interest, penalties and late fees as provided herein on such additional tax due, and be subject to an administrative fee of \$25.00.

(f) Non-Compliance and Delinquent Room Tax.

- (1) Failure to Timely File Monthly Room Tax Report. The Lodging Provider's Monthly Room Tax Report shall be filed within the time specified in Section 3(e)(1) hereinabove. Any Monthly Room Tax Report filed after that date shall be subject to a Late Filing Fee of \$25.00, in addition to other penalties, fees and interest as may be applicable hereunder.
- (2) Failure to Timely Pay Room Tax. The tax imposed pursuant to this ordinance shall become delinquent if not paid by Lodging Provider by the due date of the return as established in Section 3(e)(1) hereof. A forfeiture of twenty-five percent (25%) of the room tax due or five thousand dollars (\$5,000.00) whichever is less, of the tax imposed, but not less than \$25.00, is hereby established and due and owing in the event that the room tax is not paid within thirty (30) days after the due date of the return. In addition to this forfeiture, all unpaid taxes under this ordinance shall bear interest at the rate of twelve percent (12%) per annum from the due date of the Return until the payment is received and deposited by the Commission.
- (3) Inspection and Audit. Whenever the Commission has probable cause to believe that the correct amount of room tax has not been assessed or that the tax return is not correct, or that the tax has not been paid, the Commission is authorized to examine and inspect the books, records, memoranda and property of any person in order to verify the tax liability of that person or another person. Any Lodging Provider who fails to comply with a request from the Commission shall be subject to a penalty of five (5%) of the room tax determined to be due.
- (4) Room Tax Estimate. Whenever a Lodging Provider fails, neglects or otherwise refuses to file a Monthly Room Tax Return within the time, manner or form required by the Commission, the Commission may, using its best judgment, estimate the room tax due. The room tax estimated hereunder shall be subject to a penalty of twenty (20%) percent of the estimated tax due, plus all associated interest, penalties and late fees as provided hereunder. No refund or modification of the tax determined to be due and owing shall be made until the Lodging Provider files a correct room tax return and permits the Commission to inspect and audit the Lodging Provider's financial records to verify compliance.
- (5) False or Fraudulent Return. A Lodging Provider who files a false or fraudulent return with the intent to defeat, delay or evade the tax imposed by this ordinance, shall be subject to a penalty of fifty (50%) percent of the tax determined to be due; twenty-five (25%) percent of

the room tax due from the previous year or \$5,000.00, whichever is less, plus interest and other penalties as provided under Sec. 66.0615(2m), Wis. Stats.

- (6) Separate Violations. Each room or unit separately rented or offered for rent, and each day of such rental or offer for rental of such unit shall be a separate violation. In addition, injunctive relief is hereby authorized to discontinue violation of this ordinance.
- (7) Prosecutions. Any Lodging Provider or Lodging Marketplace Provider determined to have violated any of the provisions of this ordinance shall be obligated to pay the costs of enforcement and prosecution, in addition to actual attorney's fees and audit fees expended in the course of said enforcement and prosecution.
- (g) Room Tax Rate Adjustment. Any person or business otherwise required to file a return and make a payment, will be allowed an exemption from the requirement to collect and pay the increased Room Tax at the new rate of 8.00% for any signed contract dated prior to the adoption of this Ordinance in which the contract guarantees the lodging rates and the applicable taxes as of that date. This also applies to any gift certificate purchase before the adoption of this Ordinance, which is not for a fixed dollar amount, but, instead, for the amount paid, guarantees a particular lodging rate and the applicable taxes. This exemption does not apply to reservations made before the adoption of this Ordinance, which are not binding contracts.
- (h) Confidentiality of Reports. All Room Tax returns, schedules, exhibits, writings or audit reports relating to such returns, on file with the Commission and the municipality are deemed confidential pursuant to Sec. §66.0615(3), Wis. Stats., except they may divulge their contents to the following, and no others:
 - (1) The person who filed the return.
 - (2) Officers, employees or agents of the Town Clerk/Treasurer and the Commission or its duly authorized agents and representatives.
 - (3) Other persons for the use in the discharge of duties imposed by law, or in the discharge of the duties of their office (unless otherwise prohibited by law), or by order of a Court.

Section 4 LODGING ESTABLISHMENTS TO BE LICENSED

- (a) License Required. Any party supplying transient lodging in the Town shall obtain and maintain a Lodging Permit from the Commission permitting the rental of accommodations. No accommodations shall be rented or available for rental for a period of less than thirty (30) days by any party not possessing a lodging permit issued by the Commission.
- (b) Permit Application. Any party furnishing lodging accommodations to transient guests in the Town shall apply to and file with the Commission, on forms provided by the Commission, an application to operate each place of business subject to this ordinance. There shall be no cost for the filing of the application for the Lodging Permit. The application form shall include, at minimum, the following information:

- (1) The name of the business under which the person, partnership or corporation transacts business or intends to transact business, which name shall agree with that used for Sales Tax Permits and Property Tax Records.
 - (2) The name of the agent for the business or other person designated as responsible to remit the Room Tax, and means to contact this person, including email address, postal address, telephone number, fax number and cell phone number.
 - (3) The physical and mailing address of the business.
 - (4) Number of rental units at the location for each month of the year during which the business is operating.
 - (5) The driver's license number and or Federal Employer Identification Number of the owner of the lodging business.
 - (6) The signature of the person designated in item b. above.
 - (7) Operating months indicated on the permit application must match all advertised availability.
 - (8) The Lodging Marketplace Provider online listing ID or ID's for all advertising in any form or format.
- (c) Permit Review and Issuance. The Commission may accept the application, review it for accuracy and issue the Lodging Permit. The Permit shall not be assignable. The Permit shall only be valid for the person named on the application as being responsible to remit the Room Tax. In cases where that person should change or the ownership should change during the life of the permit, the application and issuance of a new permit shall be necessary.
- (d) Records Retention. As a condition of issuance of a Lodging Permit hereunder, the Lodging Provider agrees to retain all records related to short term lodging services hereunder for a period of not less than seven (7) years.
- (e) Lodging Permit Deactivation. A permitted Lodging Provider who ceases lodging operations may apply to the Commission for the de-activation of their Lodging Permit. De-activation of a Lodging Permit is subject to the following conditions:
- (1) All advertising in any form or format, including print and online, social media and web sites for the rental unit or units must be removed, discontinued and taken down.
 - (2) The Lodging Provider must be current on all filings and tax payments.

Section 5 LODGING MARKETPLACE PROVIDERS TO BE LICENSED

- (a) License Required. Any Lodging Marketplace Provider that provides a platform through which a Lodging Provider offers to rent a short-term rental to an occupant and collects the consideration for the rental from the occupant shall obtain and maintain a Marketplace Provider Permit from the Commission.

- (b) Permit Application. Any Lodging Marketplace Provider providing a platform through which a Lodging Provider can offer short term rentals and lodging accommodations to transient guests in the Town shall apply to and file with the Commission, on forms provided by the Commission, an application to provide such services within the Town. There shall be no cost for the filing of the application for the Lodging Marketplace Provider Permit. The application form prepared and supplied by the Commission shall include, at minimum, the following information:
- (1) The name and tradename of Lodging Marketplace Provider under which it transacts business or intends to transact business.
 - (2) The physical and mailing address of the Lodging Marketplace Provider.
 - (3) The Federal Employer Identification Number (FEIN) of the Lodging Marketplace Provider.
 - (4) The email address for the primary contact person at the Lodging Marketplace Provider.
 - (5) The contact name and physical and electronic contact information of and for the person at the Lodging Marketplace Provider who will be submitting the Lodging Marketplace Provider reporting.
- (c) Permit Review and Issuance. The Commission may accept the Lodging Marketplace Provider application, review it for accuracy and issue the Lodging Marketplace Provider in the form determined by the Commission. The Lodging Marketplace Provider Permit shall not be assignable. The Lodging Marketplace Provider Permit shall only be valid for the Lodging Marketplace Provider identified on the application. In the event of an ownership or name change, Lodging Marketplace Provider shall apply for a new Lodging Marketplace Provider Permit.
- (d) Records Retention. As a condition of issuance of a Lodging Marketplace Provider Permit hereunder, the Lodging Marketplace Provider agrees to retain all records related to lodging marketplace provider services to Lodging Providers hereunder for a period of not less than seven (7) years.
- (e) Lodging Marketplace Provider Permit Deactivation. A permitted Lodging Marketplace Provider who ceases operations within Door County, Wisconsin may apply to the Commission for the de-activation of their Lodging Marketplace Provider Permit. De-activation of a Lodging Permit is subject to the following conditions:
- (1) All lodging marketplace platform services in any form or format in Door County, Wisconsin must cease, be discontinued and otherwise terminated.
 - (2) The Lodging Marketplace Provider must be current on all filings and tax payments.

Section 6 CREATION OF A COMMISSION

- (a) Commission Purpose. The municipalities shall enter into a contract under Wis. Stats. §66.0615 to create a Commission under the Intergovernmental Cooperation provisions of Sec. 66.0301(2), Wis. Stats. The Commission shall contract with a Tourism Entity, as defined under Sec. 66.0615(1)(f), Stats., for the promotion of the destination with a minimum of Seventy (70%) percent of the room taxes collected.

(b) Commission Membership. The Commission created by a Tourism Zone Agreement under Wis. Stats. §66.0615 shall consist of the following members:

(1) Two (2) members from each municipality in which annual tax collections exceed \$300,000.

(2) One (1) member from each municipality in which annual tax collections are \$300,000 or less.

(3) Two additional members, who represent the Wisconsin hotel and motel industry, shall be appointed to the Commission by the Chairperson of the Commission. Those individuals shall serve for a one-year term at the pleasure of the Chairperson, and may be reappointed. These members shall not be members of the Board of Directors or employees of the Tourism Entity.

(c) Commission Member Appointment Process and Terms of Office. Members of the Commission shall be appointed by the principal elected official in the municipality and shall be confirmed by a majority vote of the members of the municipality's governing body who are present when the vote is taken. Commissioners shall serve a one-year term, at the pleasure of the appointing official and may be reappointed. If a member of the Commission resigns or is removed for cause, the municipal body that appointed the member may appoint another person to fulfill the unexpired term. If the subject member was appointed by the Chairperson, they may appoint another person to fill the unexpired term. Members of the Commission shall receive no pay, but may be reimbursed for their travel expense. While membership on the Commission is provided for each municipality in the Tourism Zone, all membership positions need not be filled if a municipality does not see a need. A member community that does not appoint a representative shall not count towards the determination of a quorum.

(d) Applicability of State Open Meetings Law. The Commission shall be subject to the provisions of the Wisconsin Open Meetings and Open Records laws as amended.

(e) Tourism Zone Commission. Authority is hereby delegated to the Door County Tourism Zone Commission to act as agent of this municipality in the enforcement of this ordinance as amended, for violation of the requirement of obtaining and maintaining a lodging permit when such lodging permit is required. The Door County Tourism Zone Commission shall have and may exercise the full authority which would otherwise be available to this municipality in the enforcement of this ordinance, including the ability to seek enforcement and penalties for failure to comply with the section requiring a lodging permit.

(f) Role of Commission. The Commission shall perform such tasks as are specified in the Tourism Zone Agreement.

(g) Commission Operational Funding. The administrative and operating expenses of the Commission, shall be paid by the Member Municipalities based upon and subject to the following:

(1) Commission Administrative and Operating Expenses. The Commission's administrative and operating expenses subject to contribution hereunder shall include, but are not limited to, the cost of: issuing permits; monitoring, enforcing and prosecuting the collection of Room Tax; reviewing the progress of the contracted Tourism Entity; approving the Tourism Entity's budget; approving the payment of monthly expenses; and, preparing monthly, quarterly and annual reports to the participating municipalities Member Municipalities, plus any and all tasks and costs necessary in the operation of the Commission.

- (2) Additional Commission Administrative Expenses. The Commission's administrative expenses shall also include, but not be limited to, reimbursement of Commissioners for actual expenses and mileage while attending meetings or on official business for the Commission, wages paid to staff, mileage paid to staff when necessary for work related travel, rental of office space, accounting fees for the annual audit and other Commission related accounting services, insurance costs for coverages approved by the Commission, office equipment, office supplies, postage, telephone, internet, utilities and any legal expenses, including litigation and any other expenses associated with the collection of unpaid Room Tax. The rate paid for the mileage reimbursement hereunder shall be the same as the standard Internal Revenue Service rate for business mileage adjusted periodically
- (3) Calculation of Municipal Contribution. The contribution amount owed by each Member Municipality shall be determined by its percentage share of the room tax collected, as shown on the previous year's Tourism Zone Audit, multiplied by the adopted budget of the Commission. The amount determined hereunder shall be paid by each Member Municipality on or before February 1 of each year. In the event that a Member Municipality fails to pay its annual contribution payment when due, the Commission may withhold that Member Municipality's Municipal room tax allocation payment until such contribution payment is made.

Section 7 DISTRIBUTION OF ROOM TAXES COLLECTED

- (a) Allocation of Collected Room Tax. Upon receipt of the room taxes that are collected from Lodging Providers providing transient lodging in the Town the Commission shall, pursuant to Section 66.0615(1m)(d), Wis. Stats.:
- (1) Tourism Promotion and Development. Allocate seventy (70%) percent of the amount collected to be spent on tourism promotion and tourism development within the Tourism Zone in the following manner:
- a. Forward an amount previously budgeted to be allocated to the Tourism Entity to the Tourism Entity.
 - b. Deposit the excess amount of the amount budget for the Tourism Entity to the Tourism Reserve Fund to be used and allocated by the Commission for tourism promotion and tourism development within the Tourism Zone to help promote local or special tourism promotion and tourism development within the Tourism Zone through the Tourism Entity. The tourism entity may from time-to-time present special non-budgeted promotions that may require the use of the reserve funds. The expenditure of funds from the Reserve Funds account, for any reason, shall require an approval by a two-thirds (2/3rds) vote by the full Commission membership present at a meeting, properly noticed and at which a quorum is present.
- (2) Municipal Allocation. Distribute thirty (30%) percent of the room taxes to the Town for such uses and purposes as the Town Board shall determine.

Section 8 TOURISM ENTITY

- (a) Contracted Services. The Commission shall, pursuant to Sec. 66.0615(1m)(b) 4, Wis. Stats., contract with a Tourism Entity to obtain staff, support services and assistance in developing and implementing programs to promote the Tourism Zone to visitors and spend room taxes revenues on tourism

promotion and development within the Tourism Zone. The Tourism Entity shall not use any of the room tax revenue to construct or develop a lodging facility.

- (b) Tourism Revenue and Expenditure Tracking. The Tourism Entity shall track the use of Room Tax revenues and expenditures and state its impact on generating paid overnight stays in the Member Municipalities.
- (c) Annual Report. The Tourism Entity shall provide a written report as determined by the Tourism Commission, no less than annually, and such report shall be available to the municipality and public upon request.
- (d) Record Inspection. The Tourism Entity shall permit and allow inspections of its records pertaining to the use of the room tax funds upon request of the Tourism Commission at reasonable times.

Section 9 EFFECTIVE DATE

This Ordinance shall be effective on its passage and publication.

Adopted at a regular meeting of the Liberty Grove Town Board on August 4, 2021.

Motion to adopt: Second:

Vote: Aye Nay

I, Anastasia P. Bell, Clerk/Treasurer of the Town of Liberty Grove, Door County, Wisconsin, hereby certify that the above is a true and correct copy of an ordinance adopted at a properly noticed, regular meeting, held on the 4th day of August, 2021 by the Town Board of the Town of Liberty Grove, Door County Wisconsin.

Dated this 4th day August, 2021.

Anastasia P. Bell, Clerk/Treasurer

**TOWN OF LIBERTY GROVE
ORDINANCE 7-21
ROOM TAX**

The Town Board of the Town of Liberty Grove (herein after referred to as "Town"), in the County of Door, State of Wisconsin, does hereby ordain as follows:

Ordinances 2-07, and 12-07 are hereby repealed.

Section 1 DEFINITIONS

In this Ordinance, the following words and phrases shall have the following meanings when used in this Contract, unless the context clearly indicates a different meaning is intended:

- (a) "*Commission*" has the meaning defined in Sec. 66.0615(a), Wis. Stats.
- (b) "*Door County Tourism Zone*" shall mean the Tourism Zone authorized and established in Door County, Wisconsin pursuant to the provisions of Sec. 66.0615, Wis. Stats., under the provisions of the Tourism Zone Agreement among the municipalities participating therein.
- (c) "*Door County Tourism Zone Commission*" shall mean the Commission established hereunder for the administration of the room tax pursuant to Sec. 66.0615, Wis. Stats.
- (d) "*Gross Receipts*" shall mean the total revenue received from the retail furnishing of rooms, lodging, or similar accommodations by a Lodging Provider as defined herein, including any Lodging Marketplace provider service fees.
- (e) "*Hotel and Motel*" have the meaning as defined in Sec. 77.52(2)(a)1, Wis. Stats., as being a building or a group of buildings in which the public may obtain accommodations for a consideration, including, without limitation, such establishments as inns, motels, tourist homes, tourist houses or courts, bed and breakfast establishments, lodging houses, rooming houses, summer camps, apartment hotels, resort lodges and cabins, commercial indoor lodging facilities and any other building or group of building in which accommodations are available to the public, except accommodations rented for a continuous period of more than thirty (30) consecutive days and accommodations furnished by any hospitals, sanitariums or nursing homes or by corporations or associations organized and operated exclusively for religious, charitable or educational purposes provided that no part of the net earnings of such corporations and associations inures to the benefit of any private shareholder or individual.
- (f) "*Lodging Permit*" shall mean the permit issued by the Commission to Lodging Providers authorizing the furnishing, at retail of rooms or lodging to Transients by hotelkeepers, motel operators, lodging marketplaces, owners of short-term rentals, and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for use of the accommodations.
- (g) "*Lodging Marketplace*" or "*Lodging Marketplace Provider*" shall mean an entity that provides a platform through which an unaffiliated 3rd party offers to rent a short-term rental to an occupant and collects the consideration for the rental from the occupant.
- (h) "*Lodging Provider*" shall mean the operator of a Hotel or Motel, as defined herein above.

**TOWN OF LIBERTY GROVE
RESOLUTION NO. 9-21**

**RESOLUTION AUTHORIZING AND APPROVING INTERGOVERNMENTAL
ROOM TAX AGREEMENT AMENDMENT NUMBER THREE**

WHEREAS, pursuant to Sec. 66.0615, Wis. Stats., the Town of Liberty Grove "TOWN" has previously adopted an ordinance imposing a tax on the privilege of furnishing, at retail, rooms or lodging to transients by hotel keepers, motel operators and other persons furnishing accommodations that are available to the public (the "Room Tax"); and,

WHEREAS, the TOWN has ~~amend its current~~ passed Ordinance 7-21, Room Tax Ordinance to increase the Room Tax to eight (8.0%) percent as authorized by Sec. 66.0615(1)(m)(a), Wis. Stats., and to modify the operations of the Room Tax Commissions; and

WHEREAS, in connection with the amendment to the Room Tax Ordinance, is desirous of amending its current Room Tax Ordinance the Town is also desirous of amending the Intergovernmental Room Tax Agreement with the other Door County Municipalities comprising the Door County Tourism Zone to ensure that that Agreement is consistent with the amendments to the local Room Tax Ordinance in connection with the joint municipal operation of the Tourism Zone and the Tourism Zone Commission established by the member municipalities; and

WHEREAS, Door County Tourism Zone Commission, previously established by the member municipalities of Door County, including the Town of Liberty Grove, has recommended revisions to the current municipal Intergovernmental Room Tax Agreement in the manner set forth on EXHIBIT "A" hereto;

NOW THEREFORE, the Town Board of Liberty Grove, Door County, Wisconsin, does hereby RESOLVE in the following:

RESOLVED FIRST. That the THIRD AMENDED INTERGOVERNMENTAL ROOM TAX AGREEMENT, in the form presented herewith, be, and the same hereby is authorized and approved.

RESOLVED SECOND: That the Town Chair and Town Clerk be, and they hereby are, authorized, for and in the name of and on behalf of the Town to sign, execute, file and deliver the THIRD AMENDED INTERGOVERNMENTAL ROOM TAX AGREEMENT in the form presented herewith or with such changes therein as shall be approved by those authorized officers, their execution and delivery thereof to constitute conclusive evidence of the approval of such changes.

RESOLVED THIRD: That the appropriate officers of the Town be, and they hereby are, authorized to take all such other and further action and to execute, deliver and file as appropriate, in the name and on behalf of the TOWN, as they, in their judgment, shall determine necessary or convenient to carry out the intent and to accomplish the purposes of these Resolutions and perform all obligations of the TOWN under the THIRD AMENDED INTERGOVERNMENTAL ROOM TAX AGREEMENT.

RESOLVED FOURTH: That this Resolution shall take effect immediately upon adoption and approval.

ADOPTED this 4th day of August, 2021.

APPROVED this 4th day of August, 2021.

TOWN OF LIBERTY GROVE

BY: John Lowry, Town Chair

ATTEST:

Anastasia Bell, Town Clerk

INTERGOVERNMENTAL ROOM TAX AGREEMENT

Third Amendment and Restatement

THIS INTERGOVERNMENTAL AGREEMENT THIRD AMENDMENT AND RESTATEMENT is made and entered into the dates set forth herein below by and between the below identified Wisconsin governmental bodies located in Door County, Wisconsin (the "Municipalities") pursuant to the provisions of Sec. 66.0301, Wis. Stats., and Sec. 66.0615, Wis. Stats., for the purpose of promoting tourism in Door County, Wisconsin and the joint municipal administration of a local room tax.

PREAMBLE

WHEREAS, the Municipalities have, pursuant to the provisions of Sec. 66.0615, Wis. Stats., previously adopted, within their respective jurisdictions, a local room tax; and

WHEREAS, the Municipalities have previously entered into an intergovernmental agreement pursuant to the provisions of Sec. 66.0301, Wis. Stats., and Sec. 66.0615, Wis. Stats., (the "Agreement") to administer the local room tax through the establishment of a tourism zone encompassing the boundaries of the Municipalities, being all of Door County, Wisconsin, known as the "Door County Tourism Zone"; and

WHEREAS, the Municipalities have, pursuant to Sec. 66.0615, Wis. Stats., previously established a commission, known as the "Door County Tourism Zone Commission"; and

WHEREAS, the Municipalities have, as of January 1, 2009, previously amended the Agreement to address changes in the statutory room tax provisions and in the administration of the room tax by the Commission; and

WHEREAS, the Municipalities are again desirous of amending the Agreement to address additional recent statutory revisions and to increase the local room tax to 8.00%;

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual covenants and agreements contained herein, the parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 DEFINITIONS. The following words and phrases shall have the following meanings when used in this Agreement, unless the context clearly indicates a different meaning is intended:

- (a) "Agreement" shall mean this intergovernmental agreement among the Member Municipalities establishing a Room Tax Tourism Zone and a

Room Tax Commission to oversee the administration and enforcement of the Member Municipalities Room Tax Ordinances.

- (b) “*Commission*” has the meaning defined in Sec. 66.0615(a), Wis. Stats.
- (c) “*Commissioner*” shall mean an individual appointed by a Municipality to serve on the Commission as made and provided under the provisions of Sec. 66.0615, Wis. Stats.
- (d) “*Door County Tourism Zone*” shall mean the Tourism Zone authorized and establish in Door County, Wisconsin pursuant to the provisions of Sec. 66.0615, Wis. Stats., under the provisions of the Tourism Zone Agreement among the municipalities participating therein.
- (e) “*Door County Tourism Zone Commission*” shall mean the Commission established hereunder for the administration of the room tax pursuant to Sec. 66.0615, Wis. Stats.
- (f) “*Gross Receipts*” shall mean the total revenue received from the retail furnishing of rooms, lodging, or similar accommodations by a Lodging Provider as defined herein, including any Lodging Marketplace provider service fees.
- (g) “*Hotel and Motel*” have the meaning as defined in Sec. 77.52(2)(a)1, Wis. Stats., as being a building or a group of buildings in which the public may obtain accommodations for a consideration, including, without limitation, such establishments as inns, motels, tourist homes, tourist houses or courts, bed and breakfast establishments, lodging houses, rooming houses, summer camps, apartment hotels, resort lodges and cabins, commercial indoor lodging facilities and any other building or group of building in which accommodations are available to the public, except accommodations rented for a continuous period of more than thirty (30) consecutive days and accommodations furnished by any hospitals, sanitariums or nursing homes or by corporations or associations organized and operated exclusively for religious, charitable or educational purposes provided that no part of the net earnings of such corporations and associations inures to the benefit of any private shareholder or individual.
- (h) “*Lodging Permit*” shall mean the permit issued by the Commission to Lodging Providers authorizing the furnishing, at retail of rooms or lodging to Transients by hotelkeepers, motel operators, lodging marketplaces, owners of short-term rentals, and other persons furnishing accommodations

that are available to the public, irrespective of whether membership is required for use of the accommodations.

- (i) “*Lodging Marketplace*” or “Lodging Marketplace Provider” shall mean an entity that provides a platform through which an unaffiliated 3rd party offers to rent a short-term rental to an occupant and collects the consideration for the rental from the occupant.
- (j) “*Lodging Provider*” shall mean the operator of a Hotel or Motel, as defined herein above.
- (k) “*Member Municipalities*” shall mean the municipalities located in Door County, Wisconsin which have created and established the Door County Tourism Zone and the Door County Tourism Zone Commission to operate and administer the Tourism Zone as more particularly described on ATTACHMENT “A” hereto.
- (l) “*Municipality*” means the (City / Village / Town) of _____, Door County, Wisconsin.
- (m) “*Payor*” means the transient lodging person or entity who owes the tax imposed by this ordinance.
- (n) “*Reserve Fund*” means the fund established and maintained by the Commission containing funds in excess of the approved annual Tourism Entity budget to be used exclusively for such tourism promotion or tourism development projects as the Commission shall, from time to time so determine in the manner made and provided herein.
- (o) “*Room Tax*” means the lodging tax of 8.00% imposed by ordinance of this Municipality and all of the Member Municipalities for the privilege of furnishing, at retail, except sales for resale, rooms or lodging to transients by hotelkeepers, motel operators and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for use of the accommodations, subject to the exceptions provided in Sec. 66.0615(1)(m)a, Wis. Stats.
- (p) “*Tourism*” has the meaning as defined in Sec.66.0615(1)(e), Wis. Stats., as being any travel for recreational, business or educational purposes.
- (q) “*Tourism Entity*” shall mean a nonprofit organization that came into existence before January 1, 2015, spends at least 51 percent of its revenues on tourism promotion and tourism development, and provides destination

marketing staff and services for the tourism industry in a municipality, except that if no such organization exists, a municipality may contract with one of the following entities:

1. A nonprofit organization that spends at least 51 percent of its revenues on tourism promotion and tourism development, and provides destination marketing staff and services for the tourism industry in a municipality; or
 2. A nonprofit organization that was incorporated before January 1, 2015, spends 100 percent of the room tax revenue it receives from a municipality on tourism promotion and tourism development, and provides destination marketing staff and services for the tourism industry in a municipality.
- (r) “*Tourism promotion and development*” has the meaning as defined in Sec. 66.0615(1)(fm), Wis. Stats., as being any of the following that are significantly used by transient tourists and reasonably likely to generate paid overnight stays at more than one establishment on which a tax under sub. (1m) (a) may be imposed, that are owned by different persons and located within a municipality in which a tax under this section is in effect; or, if the municipality has only one such establishment, reasonably likely to generate paid overnight stays in that establishment:
1. Marketing projects, including advertising media buys, creation and distribution of printed or electronic promotional tourist materials, or efforts to recruit conventions, sporting events, or motorcoach groups.
 2. Transient tourist informational services.
 3. Tangible municipal development, including a convention center.
- (s) “*Tourism Zone*” has the meaning as defined in Sec. 66.0615, Wis. Stats. as being an area made up of two or more municipalities that, those municipalities agree, is a single tourism destination as perceived by the traveling public.
- (t) “*Tourism Zone Agreement*” shall mean this intergovernmental agreement created under the provisions of Sec. 66.0301, Wis. Stats., for the purpose provided under Sec. 66.0615(1m)(b)2, Wis. Stats.

- (u) “*Tourism Zone Audit*” shall mean the annual Room Tax audit to be performed by the Commission and provided to the Member Municipalities.
- (v) “*Transient*” has the meaning as defined in Sec. 77.52(2)(a)1, Wis. Stats., as being any person residing for a continuous period of less than thirty (30) consecutive days in a Hotel, Motel, or other furnished accommodations available to the public.

Section 1.2 USE OF PHRASES; RULES OF CONSTRUCTION. The following provisions shall be applied wherever appropriate herein:

- (a) “Herein”, “hereby”, “hereunder”, “hereof” and other equivalent words refer to this Agreement as an entirety and not solely to the particular portion of this Agreement in which such word is used.
- (b) The definitions set forth in Section 1.1 hereof shall be deemed applicable whether the words defined are used in the singular or plural.

ARTICLE II

PURPOSE

Section 2.1 SINGLE DESTINATION. The Municipalities have previously agreed and continue to agree and acknowledge that the traveling public generally perceives the area encompassing the municipalities as a single tourism destination.

Section 2.2 TOURISM ZONE. Upon the agreement and acknowledgement that the traveling public perceives Door County, Wisconsin as a single tourism destination, the Municipalities agree to designate the area encompassing their respective municipal jurisdictions as a “Tourism Zone”, pursuant to Sec. 66.0615(1)(h), Wis. Stats., to be known as the “Door County Tourism Zone”.

Section 2.3 PURPOSE. The purpose of this Agreement shall be for the establishment of a Tourism Zone encompassing the jurisdictions of the Municipalities and for the joint administration and enforcement of the local room tax adopted by the Municipalities within the framework of the Tourism Zone.

ARTICLE III

ROOM TAX

Section 3.1 ROOM TAX IMPOSED. The Member Municipalities previously agreed and continue to agree to impose a room tax of 8.00% on transient lodgers by entities furnishing, at retail, rooms or lodging to transients, renting for less than thirty (30) days,

by hotelkeepers, motel operators and other persons furnishing accommodations that are available to the public. In addition, any Condominium Association in which the Association brokers any form of rental lodging that is subject to Sales or Use Tax shall also be subject to a room tax. Any Real Estate Agency or Property Management Company which also rents lodging that is subject to Sales or Use Tax shall also be subject to this Agreement. The Room Tax shall be imposed on the gross receipts, the total revenue received from the retail furnishing of rooms, lodging and all lodging amenities received for the rates charged by a hotel or motel as defined within this Agreement. Lodging amenities may include breakfast, newspaper, Internet, telephone, cable TV, swimming pool, whirlpools and other amenities not available without charge to the general public not staying at the lodging establishment. Sales not subject to the Room Tax would be any items sold over the counter, as in a gift shop, separate sales in an adjoining restaurant, room service, vending machine or bar, the part of a package sale that is separate from lodging. Sales not subject to sales tax would also be exempt from Room Tax. There is also no sales tax on the Room Tax.

Section 3.2 ROOM TAX ORDINANCE. Beginning effective as of May 1, 2007, the Member Municipalities previously agreed to and did enact a Room Tax Ordinance that imposed a local room tax on the privilege of furnishing, at retail, except sales for resale, rooms or lodging to transients by hotelkeepers, motel operators, lodging marketplaces, owners of short-term rentals, and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for use of the accommodations.

Section 3.3 ROOM TAX PAYMENT. The Commission shall require that the Room Tax should be paid by the Lodging Provider on a monthly basis to be paid by the end of the month following the month in which the tax was collected by the Lodging Provider. While the Room Tax is owed to the local municipality which imposed the tax, for convenience and collection purposes, all room tax returns and payments are to be sent directly to the Commission. Subject to the provisions of Section 4.12(c) hereof, the Commission shall, on or before the end of each month, send to each Member Municipality a payment along with the report required in Section 5.11 of this Agreement showing the total room tax collected from all lodging properties in their municipality for the previous month. This payment will equal thirty percent (30%) of all Room Tax collected in their municipality plus or minus any adjustments from the previous months.

Section 3.4 ROOM TAX AMENDMENT. That effective January 1, 2022, the local room tax to be administered hereunder pursuant to the amended local ordinances shall be 8.00%.

Section 3.5 ROOM TAX RATE ADJUSTMENT. Any person or business otherwise required to file a return and make a payment, will be allowed an exemption from the requirement to collect and pay the increased Room Tax at the new rate of 8.00% for any

signed contract dated prior to the adoption of this Ordinance in which the contract guarantees the lodging rates and the applicable taxes as of that date. This exemption shall also be applied to any gift certificate purchase before the adoption of this Ordinance, which is not for a fixed dollar amount, but, instead, for the amount paid, guarantees a particular lodging rate and the applicable taxes. This exemption does not apply to reservations made before the adoption of this Ordinance, which are not binding contracts.

ARTICLE IV ROOM TAX COMMISSION

Section 4.1 ROOM TAX COMMISSION. The Member Municipalities further agreed to and did create a Commission pursuant to the provisions of Wisconsin Statutes 66.0615, known as the “Door County Tourism Zone Commission”, for the purpose of monitoring and administering the collection of room taxes, including the enforcement thereof; for contracting with the Tourism Entity to obtain staff, support service and assistance in developing and implementing programs to promote the Tourism Zone to visitors; and, to do all things necessary and provided for by the statute.

Section 4.2 COMMISSION MEMBERSHIP. The Commission created by this Agreement under Sec.66.0615, Wis. Stats., shall consist of the following members:

- (a) Three (3) members from each municipality in which annual tax collections exceed \$1 million.
- (b) Two (2) members from each municipality in which annual tax collections exceed \$300,000.
- (c) One (1) member from each municipality in which annual tax collections are \$300,000 or less.
- (9) Two additional members (at large members), who represent the Wisconsin hotel and motel industry, shall be appointed to the Commission by a majority vote of members of the Commission, or a duly authorized nominating committee, and these individuals shall serve for a one-year term at the pleasure of the Commission and may be reappointed. These members shall not be members of the Board of Directors or employees of the Tourism Entity.

Section 4.3 APPOINTMENT OF COMMISSION MEMBERS. Members of the Commission shall be appointed by the principal elected official in the Member Municipalities and shall be confirmed by a majority vote of the Member Municipality's governing body who are present when the vote is taken. Commissioners shall serve a one-year term, at the pleasure of the appointing official and may be reappointed. Members of

the Commission shall receive no compensation for service to the Commission, but may be compensated for actual expenses and mileage while attending meetings or on official business for the Commission. This compensation may be in the form of prepayment, allowance or actual reimbursement of any expenses incurred. While membership on the Commission is provided for each municipality in the zone agreement, all membership positions need not be filled if a municipality does not see a need. A member community that does not appoint a representative shall not count towards the determination of a quorum. All municipalities will still receive their monthly, quarterly and annual reports from the Commission. If a member of the Commission resigns or is removed for cause, the municipal body that appointed the member may appoint another person to fulfill the unexpired term. If the subject member was appointed by the chairperson, they may appoint another person to fill the unexpired term.

Section 4.4 COMMISSION PROCEDURES AND BYLAWS. The Commission shall meet monthly; but, may also meet at the call of the chairperson or by petition of any three Commissioners. The Commission may, by a vote of the Commissioners, modify the monthly meeting requirement. The Commission may, by majority vote, establish and implement such procedures and protocols as it deems necessary for the effective and efficient administration of implementation, collection and enforcement of the Room Tax. The Commission may develop and adopt bylaws which are consistent with this Agreement and approved by a two-thirds (2/3) majority of the Municipalities.

Section 4.5 INSURANCE COVERAGE. The Commission shall also obtain and maintain the following insurance coverages;

- (a) Errors and omissions coverage in an amount to be determined and approved by the Commission to provide adequately protection;
- (b) Crime Coverage in an amount to be determined and approved by the Commission to provide adequately protection; and,
- (c) Any other insurance deemed necessary by the Commission in the conduct of its business.
- (d) Expenses and insurance shall be paid as administration expenses by the Commission. Any checks or payments issued by the Commission shall bear the signatures of two (2) officers of the Commission (chairperson, vice chairperson, secretary and/or treasurer).

Section 4.6 ANNUAL AUDIT. The Commission shall submit all financial records to a licensed accounting firm for an annual financial audit and a copy of that audit shall be provided to the Member Municipalities. The accounting firm shall be selected by a majority vote of the Commission. All meeting notices and minutes shall be sent to member municipalities.

Section 4.7 ANNUAL MEETING. An annual meeting of the Commission shall be held in June of each year, after the annual report has been received and before the new

summer season begins to answer any questions, discuss any concerns and further explain all goals and objectives. All Municipal Boards and permitted Lodging Properties and the Door County Visitor Bureau shall be notified and invited to attend this Annual Meeting.

Section 4.8 APPLICABILITY OF STATE OPEN MEETINGS LAW. The Commission shall be subject to the provisions of the Wisconsin Open Meetings and Open Records laws as amended.

Section 4.9 DELEGATION OF AUTHORITY. Authority is delegated to the Door County Tourism Zone Commission to act as agent of the Municipality in the enforcement of this ordinance as amended, for violation of the requirement of obtaining and maintaining a lodging permit when such lodging permit is required. The Door County Tourism Zone Commission shall have and may exercise the full authority which would otherwise be available to this municipality in the enforcement of this ordinance, including the ability to seek enforcement and penalties for failure to comply with the section requiring a lodging permit.

Section 4.10 ROOM TAX ADMINISTRATION REPORTS. The Commission shall submit the following Room Tax Administration Reports to Member Municipalities:

- (a) Monthly Report. A monthly report that lists all lodging properties in the municipality, the total amount of Room Tax they collectively paid and any properties that are delinquent. It should also include a payment to the municipality for thirty percent (30%) of the amount collected. This report and payment should be sent by the end of the month for collections received by the Commission in the previous month.
- (b) Annual Report. At least ten (10) days after the Tourism Zone's Annual Meeting, The Commission shall provide the Member Municipalities and Lodging Properties within the Tourism Zone an Annual Report that summarizes the financial activity of the Commission for the past year and shall include:
 - 1. The Commission's annual audit.
 - 2. All room taxes collected by the municipalities for each month of the year.
 - 3. All payments to the Tourism Entity and an end of year balance sheet.
 - 4. The annual report from the Tourism Entity which shall summarize the activity of the past year and show:

- i. The return on investment, i.e., what was gained from the room taxes invested, how well the goals and objectives established in the last annual report were achieved.
- ii. The Tourism Entity's goals and objectives for the coming year will be which goals and objectives should have been set after discussion and mutual agreement between the Tourism Entity and the Commission.

Section 4.11 COMMISSION OPERATIONAL FUNDING. The administrative and operating expenses of the Commission, shall be paid by the Member Municipalities based upon and subject to the following:

- (a) Commission Administrative and Operating Expenses. The Commission's administrative and operating expenses subject to contribution hereunder shall include, but are not limited to, the cost of: issuing permits; monitoring, enforcing and prosecuting the collection of Room Tax; reviewing the progress of the contracted Tourism Entity; approving the Tourism Entity's budget; approving the payment of monthly expenses; and, preparing monthly, quarterly and annual reports to the participating municipalities Member Municipalities, plus any and all tasks and costs necessary in the operation of the Commission.
- (b) Additional Commission Administrative Expenses. The Commission's administrative expenses shall also include, but not be limited to, reimbursement of Commissioners for actual expenses and mileage while attending meetings or on official business for the Commission, wages paid to staff, mileage paid to staff when necessary for work related travel, rental of office space, accounting fees for the annual audit and other Commission related accounting services, insurance costs for coverages approved by the Commission, office equipment, office supplies, postage, telephone, internet, utilities and any legal expenses, including litigation and any other expenses associated with the collection of unpaid Room Tax. The rate paid for the mileage reimbursement hereunder shall be the same as the standard Internal Revenue Service rate for business mileage adjusted periodically.
- (c) Calculation of Municipal Contribution. The contribution amount owed by each Member Municipality shall be determined by its percentage share of the room tax collected, as shown on the previous year's Tourism Zone Audit, multiplied by the adopted budget of the Commission. The amount determined hereunder shall be paid by each Member Municipality on or before February 1 of each year. In the event that a Member Municipality fails to pay its annual contribution when due, the Commission may withhold

that Member Municipality's Municipal room tax allocation payment until such contribution payment is made.

ARTICLE V

ROOM TAX ADMINISTRATION

Section 5.1 TRANSIENT LODGING PERMIT. Any person, partnership or corporation furnishing lodging in the Tourism Zone, shall, before commencing such business, file with the Tourism Zone Commission, an application and obtain a permit to operate each place of business subject to this Agreement. There shall be no cost for the filing of the application or the permit. Such a permit is not transferable or assignable upon transfer of business ownership. The application form shall include, at minimum, the following information:

- (a) The name of the business under which the person, partnership or corporation transacts business or intends to transact business, which name shall agree with that used for Sales Tax Permits and Property Tax Records.
- (b) The name of the agent for the business or other person designated as responsible to remit the Room Tax, and means to contact this person, including email address, postal address, telephone number, fax number and cell phone number.
- (c) The physical and mailing address of the business.
- (d) Number of rental units at the location for each month of the year during which the business is operating.
- (e) The driver's license number and or Federal Employer Identification Number of the owner of the lodging business.
- (f) The signature of the person designated in item b. above.
- (g) Operating months indicated on the permit application must match all advertised availability.
- (h) The Lodging Marketplace Provider online listing ID or ID's for all advertising in any form or format.

Section 5.3 PERMIT REVIEW AND ISSUANCE. The Commission may accept the application, review it for accuracy and issue the Lodging Permit. The Permit shall not be assignable. The Permit shall only be valid for the person named on the application as being

responsible to remit the Room Tax. In cases where that person should change or the ownership should change during the life of the permit, the application and issuance of a new permit shall be necessary.

Section 5.4 RECORDS RETENTION. As a condition of issuance of a Lodging Permit hereunder, the Commission shall require that the Lodging Provider retain all records related to short term lodging services hereunder for a period of not less than seven (7) years.

Section 5.5 LODGING PERMIT DEACTIVATION. The Commission shall allow a permitted Lodging Provider who ceases lodging operations may apply to the Commission for the de-activation of their Lodging Permit. De-activation of a Lodging Permit shall be subject to the following conditions:

- (a) All advertising in any form or format, including print and online, social media and web sites for the rental unit or units must be removed, discontinued and taken down.
- (b) The Lodging Provider must be current on all filings and tax payments.

Section 5.6 LODGING MARKETPLACE PROVIDERS TO BE LICENSED. Any Lodging Marketplace Provider that provides a platform through which a Lodging Provider offers to rent a short-term rental to an occupant and collects the consideration for the rental from the occupant shall obtain and maintain a Marketplace Provider Permit from the Commission.

Section 5.7 LODGING MARKETPLACE PROVIDER PERMIT APPLICATION. The Commission shall require that any Lodging Marketplace Provider providing a platform through which a Lodging Provider can offer short term rentals and lodging accommodations to transient guests in the Municipality apply to and file with the Commission, on forms provided by the Commission, an application to provide such services within the Municipality. There shall be no cost for the filing of the application for the Lodging Marketplace Provider Permit. The Commission shall require that the Lodging Marketplace Provider provide, at minimum, the following information:

- (a) The name and tradename of Lodging Marketplace Provider under which it transacts business or intends to transact business.
- (b) The physical and mailing address of the Lodging Marketplace Provider.
- (c) The Federal Employer Identification Number (FEIN) of the Lodging Marketplace Provider.
- (d) The email address for the primary contact person at the Lodging Marketplace Provider.

- (d) The contact name and physical and electronic contact information of and for the person at the Lodging Marketplace Provider who will be submitting the Lodging Marketplace Provider reporting.

Section 5.8 LODGING MARKETPLACE PROVIDER PERMIT REVIEW AND ISSUANCE. The Commission may accept the Lodging Marketplace Provider application, review it for accuracy and issue a Lodging Marketplace Provider Permit in the form determined by the Commission. The Lodging Marketplace Provider Permit shall not be assignable. The Lodging Marketplace Provider Permit shall only be valid for the Lodging Marketplace Provider identified on the application. In the event of an ownership or name change, Lodging Marketplace Provider shall apply for a new Lodging Marketplace Provider Permit.

Section 5.9 LODGING MARKETPLACE PROVIDER RECORDS RETENTION. As a condition of issuance of a Lodging Marketplace Provider Permit hereunder, the Commission shall require the Lodging Marketplace Provider to retain all records related to lodging marketplace provider services to Lodging Providers in the Tourism Zone for a period of not less than seven (7) years.

Section 5.10 LODGING MARKETPLACE PROVIDER PERMIT DEACTIVATION. The Commission shall allow a permitted Lodging Marketplace Provider who ceases operations within the Tourism Zone to apply to the Commission for the de-activation of their Lodging Marketplace Provider Permit. De-activation of a Lodging Permit is subject to the following conditions:

- (a) All lodging marketplace platform services in any form or format in the Tourism Zone must cease, be discontinued and otherwise terminated.
- (b) The Lodging Marketplace Provider must be current on all filings and tax payments.

Section 5.11 MONTHLY ROOM TAX REPORT. The Commission shall require that all Lodging Providers submit a Monthly Room Tax Return to the Commission, on paper or electronic forms supplied by the Commission, by the end of the month following the month in which the room tax reported by that Return. To allow the Commission to judge the accuracy of the Return, and, for the Commission, with all Returns in total, to judge the effectiveness of the tourism promotion, the Monthly Room Tax Report to be filed by the Lodging Providers shall contain at a minimum the following information:

- (a) Name of the business.
- (b) Physical address, postal address, municipality located within.

- (c) Name of the designated person filling out the return.
- (d) Month and year the Return is for.
- (e) The total available rental units during the month (number of rental units in the facility multiplied by the days in the month or days they were open).
- (f) The total marketplace sales, the amount of room tax paid by each Lodging Marketplace Provider.
- (g) The number of rooms or units rented, total lodging sales for the month.
- (h) The room tax to be paid, (which should equal total lodging sales multiplied by the 8.0% Room Tax).
- (i) The signature of the person filling out this return, attesting to the accuracy of the Return.

Section 5.12 AMENDED OR CORRECTED ROOM TAX REPORT. The Commission shall allow a Lodging Provider to file an amended or corrected Monthly Room Tax Report within forty-eight (48) months of the original filing date. Such amended or corrected Monthly Room Tax Return shall be subject to any additional tax due plus associated interest, penalties and late fees as provided herein on such additional tax due, and be subject to an administrative fee of \$25.00.

ARTICLE VI TOURISM ENTITY

Section 6.1 CONTRACTED SERVICES. Pursuant to Sec. 66.0615(1m)(b) 4, Wis. Stats., the Commission shall, contract with a Tourism Entity to obtain staff, support services and assistance in developing and implementing programs to promote the Tourism Zone to visitors and spend room taxes revenues on tourism promotion and development within the Tourism Zone. The Tourism Entity shall not use any of the room tax revenue to construct or develop a lodging facility.

Section 6.2 TOURISM REVENUE AND EXPENDITURE TRACKING. The Commission shall require that the Tourism Entity track the use of Room Tax revenues and expenditures and state its impact on generating paid overnight stays in the Member Municipalities.

Section 6.3 ANNUAL REPORT. The Commission shall require that the Tourism Entity provide the Commission with a written report as determined by the Commission, no

less than annually, and such report shall be available to the municipality and public upon request.

Section 6.4 RECORD INSPECTION. The Commission shall require that the Tourism Entity permit and allow inspections of its records pertaining to the use of the room tax funds upon request of the Commission at reasonable times.

Section 6.5 RECORDS RETENTION. the Commission shall require that the Tourism Entity retain all records related to short term lodging services hereunder for a period of not less than seven (7) years.

ARTICLE VII

DISTRIBUTION OF ROOM TAXES COLLECTED

Section 7.1 Allocation of Room Tax Collected. Upon receipt of the room taxes that are collected from Lodging Providers and Lodging Marketplace Providers providing transient lodging within the Member Municipalities, the Commission shall, pursuant to Section 66.0615(1m)(d), Wis. Stats.:

- (a) Tourism Zone Tourism Promotion. Allocate and distribute seventy (70%) percent of the amount collected to be spent on tourism promotion and tourism development within the Tourism Zone in the following manner:
 - (1) Forward an amount previously budgeted to be allocated to the Tourism Entity to the Tourism Entity.
 - (2). Deposit the excess amount of the amount budget for the Tourism Entity to the Tourism Reserve Fund to be used and allocated by the Commission for tourism promotion and tourism development within the Tourism Zone to help promote local or special tourism promotion and tourism development within the Tourism Zone through the Tourism Entity. The tourism entity may from time-to-time present special non-budgeted promotions that may require the use of the reserve funds. The expenditure of funds from the Reserve Funds account, for any reason, shall require an approval by a two-thirds (2/3rds) vote by the full Commission membership present at a meeting, properly noticed and at which a quorum is present.
- (b) Municipal Allocation. The Commission shall distribute thirty (30%) percent of the room taxes to the Member Municipalities for such uses and purposes as the governing body of each such Member Municipality shall so determine.

Section 7.2 DISTRIBUTION OF ROOM TAXES COLLECTED. Room Taxes collected by the Commission shall be distributed to the Tourism Entity and the Municipalities as made and provided in Section 7.1 within thirty (30) days of their receipt by the Commission.

ARTICLE VIII COMPLIANCE AND ENFORCEMENT

Section 8.1 FAILURE TO TIMELY FILE MONTHLY ROOM TAX REPORT. The Commission shall require that a Lodging Provider file a Monthly Room Tax Report by the end of the month following the month in which the room tax reported by that Return is reported unless otherwise provided by state regulation. Any Monthly Room Tax Report filed after that date shall be subject to a Late Filing Fee of \$25.00, in addition to other penalties, fees and interest as may be applicable hereunder.

Section 8.2 FAILURE TO TIMELY PAY ROOM TAX. The tax imposed pursuant to the Member Municipalities Room Tax Ordinances shall become delinquent if not paid by Lodging Provider by the due date of the Monthly Room Tax Return as provided in Section 8.1 hereof. A forfeiture of twenty-five percent (25%) of the room tax due or five thousand dollars (\$5,000.00) whichever is less, of the tax imposed, but not less than \$25.00, shall be established and enforced by the Commission. In addition to this forfeiture, all unpaid taxes under this ordinance shall bear interest at the rate of twelve percent (12%) per annum from the due date of the Return until the payment is received and deposited by the Commission.

Section 8.2 INSPECTION AND AUDIT. Pursuant to Sec. 66.0615(2)(a), Wis. Stats., whenever the Commission has probable cause to believe that the correct amount of room tax has not been assessed or that the tax return is not correct, or that the tax has not been paid, the Commission is authorized to examine and inspect the books, records, memoranda and property of any person who is subject to a local Room Tax Ordinance in order to verify the tax liability of that person or another person. Any Lodging Provider who fails to comply with a request from the Commission for such inspection or audit shall be subject to a penalty of five (5%) of the room tax thereafter determined to be due.

Section 8.3 ROOM TAX ESTIMATE. Pursuant to Sec. 66.0615(2)(c), Wis. Stats., whenever a Lodging Provider fails, neglects or otherwise refuses to file a Monthly Room Tax Return within the time, manner or form required by the Commission, the Commission may, using its best judgment, estimate the room tax due. The room tax estimated hereunder shall be subject to a penalty of twenty (20%) percent of the estimated tax due, plus all associated interest, penalties and late fees as provided hereunder. No refund or modification of the tax determined to be due and owing shall be made until the Lodging Provider files a correct room tax return and permits the Commission to inspect and audit the Lodging Provider's financial records to verify compliance.

Section 8.4 FALSE OR FRAUDULENT RETURN. The Commission shall impose upon any Lodging Provider who files a false or fraudulent return with the intent to defeat, delay or evade the tax imposed by this ordinance, a penalty of fifty (50%) percent of the tax determined to be due or twenty-five (25%) percent of the room tax due from the previous year or \$5,000.00, whichever is less, plus interest and other penalties as provided under Sec. 66.0615(2), Wis. Stats.

Section 8.5 SEPARATE VIOLATIONS. In the administration of the Room Tax, the Commission shall treat each room or unit separately rented or offered for rent, and each day of such rental or offer for rental of such unit shall be a separate violation for enforcement purposes hereunder. In addition, the Commission may pursue injunctive relief to discontinue repeated violations of the local Room Tax Ordinances.

Section 8.6 PROSECUTIONS. The Commission shall be responsible for compliance enforcement proceedings against any non-compliant Lodging Provider or Lodging Marketplace Provider. Pursuant to the local Room Tax Ordinances, any Lodging Provider or Lodging Marketplace Provider determined to have violated any of the provisions of this ordinance shall be obligated to pay the costs of enforcement and prosecution, in addition to actual attorney's fees and audit expenses, expended in the course of the enforcement and prosecution of such Ordinances.

Section 8.7 COORDINATION WITH DEPARTMENT OF REVENUE. The Commission, through its attorney, may coordinate enforcement efforts with the Department of Revenue for the collection of all delinquent Room Tax and may contract with a collection agency. The Commission shall be responsible for prosecuting fraudulent returns and collecting delinquent tax, penalties and interest. All amounts recovered, whether in the form of tax, penalties, or interest shall be subject to the provisions of Article VII.

ARTICLE IX MISCELLANEOUS PROVISIONS

Section 9.1 GOVERNING LAW AND VENUE. This Agreement and the rights of the Parties hereunder shall be interpreted and enforced in accordance with the laws of the State of Wisconsin. All actions involving breach of this Agreement shall be venued in Door County, Wisconsin.

Section 9.2 SEVERABILITY. In the event that any provision of this Agreement, or any part thereof, is held by a court of competent jurisdiction to be invalid, ineffective or unenforceable, and in the reasonable opinion of any Member Municipality such event invalidates the purpose or intent of this Agreement, then the balance of this Agreement shall survive only to the extent that the Parties agree, in writing, to a mutually-satisfactory amendment by which they are able to satisfy the intent of this Agreement by alternative

means. If, under such circumstances and after good faith negotiations, the Parties are unable to reach such a mutually-acceptable written amendment to satisfy the intent of the Agreement, then this Agreement shall be null and void and of no further legal effect.

Section 9.3 INTERPRETATION. This Agreement shall be interpreted as though jointly drafted by the Parties.

Section 9.4 HEADINGS. The headings, titles or captions contained in this Agreement have been inserted only as a matter of convenience and for reference, and such captions in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.

Section 9.5 NO THIRD-PARTY BENEFICIARIES. This Agreement does not create any third-party benefits to any person or entity other than the Member Municipalities and the Commission and is solely for the consideration herein expressed.

Section 9.6 FURTHER ACTION. Each of the Member Municipality agrees from time to time to execute and deliver such further instruments, and to take such further action not inconsistent with the provision of this Agreement, as may reasonably be necessary in order to fully perform and carry out the terms and intent of the Agreement.

Section 9.7 AMENDMENTS. This Agreement may not be modified or amended except by a written instrument executed by the Parties hereto. Amendments to this Agreement shall require a minimum of two-thirds (2/3rds) approval by the Member Municipalities.

Section 9.8 EXECUTION IN COUNTERPARTS. This Agreement may be executed in counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same Agreement.

Section 9.10 ENTIRE AGREEMENT. This Agreement, including the Attachments hereto, contains the entire agreement between the Parties with respect to the transactions contemplated by this Agreement and matters related thereto, and does hereby supersede and render null and void and of no further force or effect any and all prior agreements, drafts of agreements and understandings between the Parties.

IN WITNESS WHEREOF, the Member Municipalities have by their duly authorized officers and representatives set their hands and affixed their seals on the date set forth below.

Dated: _____

TOWN OF LIBERTY GROVE

By: _____
John Lowry, Town Chair

Attest:

By: _____
Anastasia Bell, Town Clerk

CLERK'S CERTIFICATION

I, Anastasia Bell, Town Clerk of the TOWN OF LIBERTY GROVE, WISCONSIN do hereby certify and affirm that the forgoing THIRD AMENDMENT TO INTERGOVERNMENTAL ROOM TAX AGREEMENT was duly and properly approved by Resolution of the Village Board approved and adopted at a meeting of the Town Board held on _____ duly called and held upon due notice thereof as posted and published in the manner made and provided by law; and, that the said Resolution has not been amended or revised since the approval thereof.

IN WITNESS WHEREOF I have hereto set my hand and seal as of this ____ of _____, 2021.

TOWN OF LIBERTY GROVE

By: _____
Anastasia Bell, Town Clerk