

# **AGREEMENT FOR TOURISM PROMOTION AND TOURISM DEVELOPMENT SERVICES**

**THIS AGREEMENT** is entered into by and between Racine County Convention and Visitors Bureau, Inc. (d/b/a Visit Racine County), a Wisconsin non-stock corporation (“Visit Racine County”), and the City of Racine, a Wisconsin municipal corporation (the “Municipality”).

## **R E C I T A L S:**

**A.** The Municipality has implemented a room tax under section 66.0615 of the Wisconsin statutes.

**B.** Section 66.0615 of the Wisconsin statutes requires a municipality collecting a room tax to forward at least 70% of the room tax collected by it to a tourism entity or a tourism commission to be spent on tourism promotion and tourism development (except where grandfathering allows the municipality to forward a lesser amount).

**C.** Visit Racine County is a non-profit convention and visitors bureau engaged in tourism promotion and tourism development within Racine County, Wisconsin with a mission to promote and advocate for the development of Racine County, Wisconsin as an attractive visitor destination in order to enhance the local economy.

**D.** The parties wish to enter into an agreement whereby the Municipality will forward 70% of the room tax collected by the Municipality to Visit Racine County to be used by Visit Racine County for tourism promotion and tourism development within the Municipality.

**NOW, THEREFORE**, in consideration for the mutual covenants herein, and for other good and valuable consideration, it is agreed as follows:

**1. Recitals.** The above recitals are incorporated herein by reference as though set forth in their entirety.

**2. Room Tax.** Notwithstanding the effective date of this agreement, commencing with room taxes collected by the Municipality on or after January 1, 2023, the Municipality will forward 70% of the room tax collected by it to Visit Racine County in the manner required by section 66.0615 of the Wisconsin statutes to be spent by Visit Racine County on tourism promotion and tourism development. The room tax required to be forwarded by the Municipality to Visit Racine County hereunder shall be remitted to Visit Racine County monthly. In the case of any change in the percentage of room tax collections the Municipality is required to forward to a tourism entity or commission under section 66.0615 of the Wisconsin statutes, whether due to a change in the law or a change in circumstances, then:

(a) in the event the percentage the Municipality is required to forward to a tourism entity or commission increases above the percentage stated in this section, the percentage described in this section shall be automatically increased to match the percentage of room tax collections the Municipality is required to forward to a tourism entity or commission under the then current version of the law as of the effective date of the change under the law, and

(b) in the event the percentage the Municipality is required to forward to a tourism entity or commission decreases below the percentage stated in this section, the percentage described in this section may be decreased, upon written notice by the Municipality to Visit Racine County, to the lower percentage required under the then current version of the law (or a greater amount acceptable to the Municipality) with such change taking effect as of the date six (6) months after notice is given. Notwithstanding the above, if the decrease in the amount to be forwarded is mandatory, then the decrease shall be effective as the effective date of the change under the law. The notice from the Municipality shall include an explanation as to the reason for the decrease.

(c) It is the City's intent to develop a convention center in downtown Racine. This being an allowable expense of using a greater share of the city's room tax the parties agree that such a development agreement would require both parties to agree to a different percentage share than the current 70% Visit Racine County and 30% City to incentivize the development financing. Failure to come to an agreement in 60 days would allow the City to terminate this agreement with 60 days' notice.

**3. Visit Racine County Services.** In exchange for the Municipality forwarding room tax as required by section 2 above, Visit Racine County agrees to serve as the tourism entity for the Municipality under section 66.0615 of the Wisconsin statutes and to spend such room tax on tourism promotion and tourism development likely to result in paid overnight stays in the Municipality, including, without limitation, to:

(a) Undertake marketing projects, including advertising media buys, creation and distribution of printed or electronic promotional tourist materials, and efforts to recruit conventions, sporting events, or motorcoach groups to the greater Racine County area, including, to the Municipality.

(b) Provide transient informational services.

(c) Promote and market events and attractions within the Municipality through the Municipality's normal marketing and advertising channels.

(d) Generally promote and advocate for greater Racine County, including the Municipality, as an attractive destination for recreational, business, or educational purposes.

(e) Attract events to the greater Racine County area that are likely to generate tourism and paid overnight stays in the Municipality.

(f) Consult with the Municipality with respect to tangible development projects within the Municipality that are likely to generate tourism and paid overnight stays in the Municipality.

(g) Employ destination marketing, professional and support staff, and consultants with the expertise to accomplish the above tasks as well as any special projects set forth in section 4 below.

**4. Special Projects.** In addition to the activities listed in section 3 above, Visit Racine County will undertake the following specified projects/activities with respect to tourism promotion and tourism development within the Municipality:

- Party on the Pavement,
- Varied Downtown Racine Corporation annual events,
- Racine Zoo annual events, and
- North Beach events.

**5. Reporting.** On or before April 1<sup>st</sup> of each year, Visit Racine County shall report the following information to the Municipality: (a) all expenditures of one thousand (\$1,000) Dollars or more by Visit Racine County with respect to tourism promotion and tourism development in the previous calendar year that Visit Racine County deemed reasonably likely to generate paid overnight stays in the Municipality; and (b) a list of each member of Visit Racine County's board of directors, and the name of the business entity the board member owns, operates, or is employed by, if any. It is agreed that Visit Racine County's board shall include at least one board member who is an owner or operator of a lodging facility that collects the room tax within the Municipality. The parties acknowledge and agree that tourism promotion and tourism development activities by Visit Racine County within the greater Racine County area shall constitute tourism promotion and tourism development in the Municipality to the extent such activities are reasonably likely to generate paid overnight stays within the Municipality.

**6. Term and Termination.** This Agreement shall become effective as of the date and year first above written, shall be reviewed annually by the Municipality and Visit Racine County, and continue in effect until terminated as follows:

(a) Upon at least six (6) months' notice from either party to the other effective as of January 1 of the calendar year following the year in which such notice is given;

(b) Upon mutual agreement of the parties;

(c) Upon the Municipality ceasing to collect a room tax pursuant to section 66.0615 of the Wisconsin statutes or a successor statute.

**7. Independent Contractor Status.** Visit Racine County will be acting as an independent contractor in providing services hereunder. Visit Racine County will have complete control over its own employees and the manner and means of performing its obligations hereunder, except that the performance of any services at the Municipality's facilities shall be subject to the rules, policies and procedures established therefor by the Municipality from time to time.

**8. Covenant / Indemnification.** Visit Racine County represents that it is a non-profit convention and visitors bureau engaged in tourism promotion and tourism development within Racine County, Wisconsin with a mission to promote and advocate for the development of Racine County, Wisconsin as an attractive visitor destination to enhance the local economy. Visit Racine County will use the room tax forwarded to it as provided in sections 3 and 4 above and will provide the reporting described in section 5 above. Visit Racine County makes no other representations, warranties, or covenants with respect to the Municipality's activities with respect to room tax, including, without limitation, as to whether such activities and the Municipality's performance of this Agreement comply with section 66.0615 of the Wisconsin statutes. The Municipality agrees to indemnify, defend and hold Visit Racine County harmless from and against any and all fault, liabilities, costs, expenses, claims, demands, or lawsuits incurred by, or brought against, Visit Racine County arising out of, related to, or connected with, allegations that the Municipality's performance under this Agreement or the Municipality's other room tax related activities are illegal or otherwise unlawful under section 66.0615 of the Wisconsin statutes. Nothing herein shall be construed to require any indemnification, hold harmless or defense of a claim by the Municipality that Visit Racine County breached this Agreement.

**9. Entire Agreement.** This Agreement supersedes all prior agreements, whether written or oral, between the parties with respect to its subject matter and constitutes a complete and exclusive statement of the terms of the agreement between the parties with respect to the subject matter of this Agreement.

**10. Modification.** This Agreement may only be amended, supplemented, or otherwise modified by a writing executed by both parties hereto.

**11. Successors.** This Agreement will apply to, be binding in all respects upon, and inure to the benefit of the heirs, executors, administrators, legal representatives, successors, and permitted assigns of the parties.

**12. Governing Law.** All matters relating to or arising out of this Agreement or the transaction contemplated herein and the rights of the parties will be governed by and construed and interpreted under the laws of the State of Wisconsin without regard to conflicts of laws principles that would require the application of any other law.

**13. Attorneys' Fees.** In the event any proceeding is brought in respect of this Agreement, the prevailing party will be entitled to recover reasonable attorneys' fees and other costs incurred in such proceeding, in addition to any relief to which such party may be entitled.

**14. Notices.** All notices and other communications required or permitted by this Agreement shall be in writing and will be effective, and any applicable time period shall commence, when mailed to the following address by certified mail or by a nationally recognized overnight courier service (costs prepaid) addressed to the following address:

**VISIT RACINE COUNTY:** Interim Executive Director  
14015 Washington Avenue  
Sturtevant, Wisconsin 53177

**MUNICIPALITY:** City of Racine  
730 Washington Avenue  
Racine, WI 53403

**15. Severability.** If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

**IN WITNESS WHEREOF,** the parties have executed and delivered this Agreement as of the date first written above.

This Agreement has been signed by the parties through their duly authorized representatives effective as of the \_\_\_\_ day of \_\_\_\_\_, 2023.

**RACINE COUNTY CONVENTION  
AND BUREAU, INC.**

**CITY OF RACINE**

By: \_\_\_\_\_  
Cari Greving, Interim  
Executive Director

By: \_\_\_\_\_  
Cory Mason, Mayor

**ATTEST:**

By: \_\_\_\_\_  
Tara McMEnamin, City Clerk

Provisions have been made to pay the liability that will accrue hereunder.

By: \_\_\_\_\_  
Kathleen Fischer, Finance Director

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Scott R. Letteney, City Attorney