



County of Los Alamos

1000 Central Avenue
Los Alamos, NM 87544

BCC Agenda - Final

Lodgers' Tax Advisory Board

*Linda Deck, Chair; Katie Bruell, Vice Chair; Stacy Baker, and
Zadora Morin, Members*

Tuesday, November 17, 2020

12:00 PM

ZOOM Meeting

Due to COVID-19 Concerns, the meeting will be conducted remotely.

I. ADMINISTRATIVE ACTIONS

You are invited to a Zoom webinar.

When: November 17, 2020

12:00 PM Mountain Time (US and Canada)

Topic: Lodgers' Tax Advisory Board Meeting

To attend and/or give public comment, the link to join the webinar is:

<https://zoom.us/j/95572215303?pwd=aGdBdzRzNU13aGNDbnQrTUZXK1lrZz09>

Any questions, please email: barbara.lai@lacnm.us

A. Call to Order/Introductions

B. Approval of Today's Agenda

C. Review/Approval of Meeting Minutes

1. [13556-20](#) Minutes from the Lodgers' Tax Advisory Board Meeting on September 15, 2020 and October 20, 2020.

Presenters: Lodgers' Tax Advisory Board

Attachments: [A - LTAB DRAFT Minutes September 15 2020](#)
[B - LTAB DRAFT Minutes October 20 2020](#)

D. LTAB Membership Status

E. Public Comment for Items Not on the Agenda

II. PRESENTATIONS/DISCUSSIONS

A. City of Roswell Lodgers' Tax Revenue Ordinance/Process

Juanita Jennings, Public Affairs Director; Stephanie Mervine, Tourism Director

1. [13555-20](#) City of Roswell Lodgers' Tax Revenue Ordinance/Process

Presenters: Lodgers' Tax Advisory Board

Attachments: [A - Lodgers' Tax Ordinance Update](#)
[B Lodgers' Tax Fee Form](#)

III. NEW AND PENDING ITEMS/PROJECTS

A. Lodgers' Tax Ordinance/Development Code Update All

B. Los Alamos Destination Programs Status

1. County Policies per Governor's Public Health Order
2. Visitor Centers and Attractions Status
3. New Visitor Materials & Information Kiosks

C. State Economic Development Initiatives

1. New Mexico Hospitality Association

- a. Lodgers' Tax Handbook

1. [13570-20](#) Lodgers' Tax Handbook

Presenters: Lodgers' Tax Advisory Board

Attachments: [A - Lodgers Tax Best Practices Handbook \(NMHA\)](#)

- b. New Mexico Safe Promise/Certified Programs – Los Alamos Compliance

2. New Mexico Tourism Department

- a. Tourism Summit Highlights

- b. Recovery Readiness Initiative Programs

- (1) Google DMO Programs

- (2) Content Creation – Oct 9 Video-Photo Shoot; Oct 19-23 Google StreetViews, PhotoSpheres

- (3) Social Media Audit – Vi Google DMO Programs

- (4) sitLosAlamos.org, Facebook, Instagram

(5) Website Enhancement Flex Grant

3. Outdoor Recreation Division Update

D. New Projects

IV. MONTHLY REPORTS

A. Tourism Metrics

1. Tourism Marketing Report Sunny505

1. [13561-20](#) Sunny505 Marketing Reports

Presenters: Lodgers' Tax Advisory Board

Attachments: [A - Nov Sunny505 Overview](#)
[B - Nov Sunny505 Activity Report](#)

2. Lodgers' Tax Revenue Report

1. [13571-20](#) Lodgers' Tax Revenue Report

Presenters: Lodgers' Tax Advisory Board

Attachments: [A - REVENUE ACCURAL RPT \(thru Sep 2020 for Nov 17 2020 Mtg\) 97-03](#)

3. Visitation by Attraction/Visitor Centers

B. Tourism Implementation Task Force (Katie Bruell & Kelly Stewart)

C. Gateway 3 National Parks

1. Manhattan Project National historical Park (Linda Matteson)

2. Bandelier National Monument

3. Valles Caldera National Preserve

D. Mainstreet/Creative District Report (Kelly Stewart)

E. Community Development Department Update

1. Downtown Master Plan/Redevelopment Plan Update

2. Dark Skies Corridor Initiative/Consortium

F. Community Services Department Update

G. Councilor Report (Councilor Robinson)

H. Boards & Commissions Reports (All)

I. Upcoming Events Calendar (All)

J. Other Announcements (All)

V. NEXT MEETING(S)/FUTURE AGENDA ITEMS

The next meeting is December 15, 2020 12:00 to 2 pm via ZOOM

Agenda Items

VI. ADJOURN

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the County Human Resources Division at 662-8040 at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes can be provided in various accessible formats. Please contact the personnel in the Economic Development Department at 662-8087 if a summary or other type of accessible format is needed.

**Lodgers' Tax Advisory Board
DRAFT Minutes September 15, 2020**

I. ADMINISTRATIVE ACTIONS

Members Present: Katie Bruell, Vice Chair; Members Linda Deck, and Stacy Baker

Council Liaison: Councilor David Izraelevitz

Others Present: Kelly Stewart, Staff Liaison; Linda Matteson, CMO; Jamie Dickerman, Sunny505; and Barbara Lai, Administrative Support; Lauren McDaniel; Zadora Morin, General Manager, Holiday Inn.

Also present: Dave Jolly, Dave Schiferl, Connie Verde, Robbie Garetson, Micheline Devaurs, Greg White, Councilor James Robinson, Jonathan Creel, Clay Mosely, Councilor Antonio Maggiore.

A. Call to Order

Meeting called to order at 12:05 pm by Kelly Stewart.

B. Approval of Today's Agenda

The Board approved the agenda (3/0).

C. Approval of Minutes

Member Deck made a motion to approve the Minutes as revised. Minutes approved (3/0).

D. Public Comment:

No public comment.

II. NEW AND PENDING ITEMS/PROJECTS

A. Los Alamos Tourism Marketing Update - Marketing and PR Reports

Ms. Dickerman reported that Sunny505 is working on promoting only virtual visits due to state and County COVID-19 restrictions discouraging visitation. Last month Sunny505 distributed tourism news releases regarding the Bear Festival and Bandelier National Park. Ms. Dickerman stated that the Chicago Sun Times did a story as a result of a news release regarding the 75th Anniversary of the Atomic Bomb that was distributed earlier.

Sunny505 is developing a virtual media tour for travel writers featuring Los Alamos attractions.

B. State Tourism Initiatives - NM Hospitality Association

Ms. Stewart shared the final draft of the Lodgers' Tax Handbook with the group. Updating and publishing the handbook is on pause due to COVID.

Ms. Stewart will submit the state Lodgers Tax Handbook to Dekker Perich Sabbatini (DPS), the consultants conducting the Downtown Master Planning, as well as the consultant that will be hired to revise the County's Development Code, to ensure

short term rental requirements and the latest state legislation is incorporated into the applicable code updates.

Ms. Stewart introduced the New Mexico Safe Certified Program, training and certification sponsored by the New Mexico Tourism Department and the New Mexico Hospitality Association for business owners and employees to take to establish themselves as the safest place to visit/destination during COVID. She encouraged the businesses to visit the website, register for training and get certified.

New Mexico Tourism Department

Ms. Stewart reported that as part of NMTD's Recovery Readiness Program, they are offering free services from a Google consultant to help destination marketing organizations (DMOs) help their businesses to improve the effectiveness of their listings on Google. The Google DMO program consists of two phases: Phase I is auditing and updating 100 local businesses/attractions and Phase II is assisting with development of branding, placement of street views, 360 photospheres, and virtual tours. NMTD videographers and photographers will shoot footage at specified attractions and businesses in Oct/Nov.

Ms. Stewart announced that on September 23, NMTD will conduct a town hall for the North Central Regional and asked the board and tourism partners to encourage Los Alamos business owners and community members to participate in the virtual meeting/work session. The purpose of the town hall is to gather input regarding the impact of COVID on tourism and the local economy.

Clay Moseley spoke about the increase in outdoor recreation in many communities during the pandemic.

C. LTAB/Task Force Action Items

Ms. Stewart asked the members to register and participate in the Sept. 23 North Central Tourism Town Hall and the October 6 Tourism Summit. She also encouraged everyone to update their Google business listings with complete information—phone numbers, websites—and quality photos.

III. NEXT MEETING/FUTURE AGENDA ITEMS

The next meeting will be on October 20, 2020, at 12:00 pm, via ZOOM.

IV. ADJOURN

Ms. Stewart adjourned the meeting at 1:00 p.m.

**Lodgers' Tax Advisory Board
DRAFT Minutes October 20, 2020**

I. ADMINISTRATIVE ACTIONS

Members Present: Katie Bruell, Vice Chair; Members Linda Deck, Stacy Baker, and Zadora Morin

Council Liaison: Councilor David Izraelevitz

Others Present: Kelly Stewart, Staff Liaison; Linda Matteson, CMO; Joanie Griffin, Sunny505; Melanie Pena, Discover Los Alamos; and Barbara Lai, Administrative Support;

A. Call to Order

Meeting called to order at 12:05 pm by Kelly Stewart

B. Approval of Today's Agenda

The Board approved the agenda (3/0). (Linda Deck had not yet arrived.)

C. Approval of Minutes

September minutes will be presented at the November meeting.

D. LTAB Membership Status - Chair and Vice Chair Elections

The elections were not held pending filling of the lodging establishment vacancy. Katie Bruell was elected Acting Chair and Zadora Morin was elected Acting Vice Chair.

E. Public Comment:

No public comment.

II. NEW AND PENDING ITEMS/PROJECTS

Los Alamos Destination Programs Status

Ms. Stewart reported that the Governor will give an update later in the day on COVID and on how it affects the state. Los Alamos Visitor Centers and attractions are still closed. Ms. Pena reported that she is still stocking kiosks with new visitor information brochures.

State Economic Development Initiatives

Ms. Stewart reported that the Outdoor Recreation Division of the New Mexico Economic Development Department is offering grant opportunities that the County is pursuing to improve recreation infrastructure, like trailheads. Nationally, tourism trends indicate outdoor recreation tourism will continue to be a huge trend for the next two to three years at least.

III. MONTHLY REPORTS

Tourism Metrics

Ms. Griffin reported on the Sunny505 overview report for October and on activities

ongoing as well as planned. She inquired about the video footage that Leslie Bucklin is shooting of Manhattan Project National Historical Park, as well as how it might be used.

Ms. Stewart reported on the status of the Lodgers' Tax revenue. So far, in FY21, revenues have decreased by about 50% over the same period FY20.

Ms. Pena reported on visitation numbers for the month of August when Los Alamos History Museum opened with a soft-launch and re-started the walking tours in September with numbers reflecting some visitors.

LTAB members asked Ms. Pena if it was possible to restart LACDC'S customer service training program, Visitor Journey A2D, which was put on hold during the shutdown, following its pilot session. Ms. Pena responded that LACDC is currently determining whether they need to upgrade to a new software platform from the vendor, and if they will add a module on customer service around enforcing COVID-Safe Practices.

Tourism Implementation Task Force Report

Ms. Matteson reported that the task force has filled all vacancies and is revisiting the Tourism Strategic Plan to determine key projects. She reported on the status of project that are currently in process, including execution of the wayfinding plan and the visitor center interpretation plan, design and build RFP.

Gateway 3 National Parks

Ms. Matteson reported that the parks are open, with restrictions, with the exception of the Manhattan Project National Historical Park.

November 10 is the fifth anniversary of the Manhattan National Park and the County is planning a week of events in celebration.

MainStreet/Creative District Report

Longview Drive, part of the MainStreet District in White Rock, is pursuing a Metropolitan Redevelopment Area grant to redevelop White Rock's commercial area. Halloween is a major event in October, but the pumpkin carving, painting, etc. will be virtual.

Upcoming Events Calendar

Hi-Tech Halloween will be on Friday, October 30 with a chemical experiment demo conducted by scientists from LANL.

Other Announcements

None.

IV. PRESENTATIONS/DISCUSSIONS

FY21 LTAB Priorities Assessment Review

The Board reconfirmed LTAB's priorities as identified in the FY21 LTAB Work Plan. They are data identification, collection, assessment and reporting, short term rental policies and procedures, and customer service training via LACDC's Visitor Journey A2D program. Associated projects, such as pursuit of NMTD's Rural Pathways Project grant, is currently suspended due to the pandemic. Linda Deck recommended that the board assess each

priority project through the lens of LTAB's purpose, and develop the scope based on how it will help LTAB achieve its stated goals.

Councilor Izraelevitz mentioned that the FY21 Work Plan could be modified by the board.

Ms. Stewart reminded the board that the annual B & C report to council for LTAB is scheduled for the October 27 Council Work Session. She distributed a presentation outline for the board's review, which the board approved.

V. NEXT MEETING/FUTURE AGENDA ITEMS

The next meeting will be on November 17, 2020, at 12:00 noon via ZOOM.

VI. ADJOURN

Ms. Stewart adjourned the meeting at 1:54 p.m.

PROPOSED ORDINANCE 20-05

Lodgers' Tax Update

Amending Chapter 23, Article 1 of the Roswell City Code

ITEM NO. 5
(PERRY/JENNINGS)



Lodgers Tax Legislative Updates

The City is permitted to impose a tax on lodgers within the city limits pursuant to state statute, NMSA 1978, §§ 3-38-13 to -24. The extent of the tax is defined by state statute.

- Recent amendments to the Lodgers Tax Act
 - SB 106 (2019)
 - HB 117 (2020)
- Amendments eliminate or restrict exemptions to lodgers tax
- SB 106 – effective Jan. 1, 2020
- HB 117 – effective July 1, 2020
- Proposed ordinance would update City's Lodgers Tax provisions based on SB 106 and HB 117

Proposed Ordinance 20-05 Lodgers' Tax

Background SB106

- The new law, which went into effect on January 1, 2020, closes a loophole that exempts short-term rental hosts offering fewer than three rooms from collecting local lodging tax.
- Vacation rental hosts in New Mexico are also required to pay the state's gross receipts tax.
- Under the new law, short-term rental hosts, no matter how many rooms they offer, must pay local lodgers' tax in communities that levy the tax.

Background HB117

- Restricts exemptions for lodging greater than 30 days if “temporary lodging”
- Adds new subsection (B) Tax collected after 30th day may be used for any municipality purposed outlined as
 - Construction, maintenance and renovation of City owned tourist attractions and related facilities, including sports tourism;
 - Financial support for public safety and community development efforts; and
 - Promotion of economic development related projects

Proposed Ordinance 20-05 Lodgers' Tax

- The definition of “short-term rental” in New Mexico.
- Short-term rentals in New Mexico are those used for transient accommodations.
- Roswell, New Mexico has over 64 short term rentals active that fall under the new law.
- The following are just a few of the short term rental web platforms.





Proposed Ordinance 20-05

Current Status

- Legal Committee on April 23, 2020 made a recommendation to full City Council authorizing the advertisement for a public hearing and vote on proposed Ordinance 20-05 Lodgers' Tax Update.
- Heard at City Council at the June 2020 regular meeting and referred back to Legal Committee to include language that went into effective 7/1/20.
- Legal Committee on June 25, 2020 – no action due to lack of quorum
- Presented at Finance on July 2, 2020 passed (4-0)



Proposed Ordinance 20-05 Lodgers Tax Update

- This revision to the ordinance follows state statute in removing that exemption from the tax. The state statute went into effect January 1, 2020 SB 106 and HB117 effective July 1, 2020.
- It is anticipated that the City would see an increase in Lodgers' Tax revenue as a result of eliminating exemptions.

Action Requested: Approve amended changes as outlined in State Statue to update City's Lodgers' Tax provisions based on SB106 and HB117



CITY OF ROSWELL
REPORTING FORM - LODGERS' TAX
& CONVENTION CENTER BED FEE
For Motels, Hotels, B&Bs, RVs and Short-Term Rentals

Today's Date: _____ Check Type of Business: Motel Hotel RV B&B Short-Term Rental
Establishment: _____
Address: _____ City/State: _____
Zip Code: _____ Phone: _____ Email: _____
Contact Person: _____ Cell: _____
Month Reported: _____ Gross Receipts Subject to Lodgers' Tax \$: _____
Tax remitted (5% of receipts) \$: _____ Number of Room Nights Rented (1-30 Nights): _____
Number of Room Nights Rented (31+ Nights): _____
Convention Center Fee \$2.50 per room/night (1-15) \$: _____ TOTAL DUE \$: _____
Number of Room Nights Rented: _____

I hereby certify that the above is a true and correct statement of receipts subject to Lodgers' Tax and the Convention Center Bed Fee.

Signature of Applicant Print Name

Print Title: Date

THIS FORM MUST BE RETURNED WITH REMITTANCE ON OR BEFORE THE 25TH OF MONTH SUCCEEDING THE MONTH REPORTED. DELINQUENT PAYMENTS MAY BE SUBJECT TO INTEREST AND PENALTY

SEND TO: CITY OF ROSWELL
425 N. RICHARDSON AVE
ROSWELL, NM 88201
ATTN: STEPHANIE MERVINE
TOURISM MANAGER

Sec. 23-8. - Collection procedures, remedies, etc.

(a) If any vendor makes a return as provided by this article, without paying the tax then due, he shall be liable for the tax and a penalty equal to ten percent thereof but not less than \$100.00 penalty in addition to the tax, without notice from the city with regard thereto. Promptly thereafter, the city shall give the delinquent vendor written notice of such estimated tax, penalty and interest, which notice shall be served personally or by certified mail.

(b) If a vendor neglects or refuses to make the required return and pay the tax as provided by this article, the clerk-treasurer shall make an estimate based upon examination of the vendor's books and records, or upon any information in its possession, or that may come into its possession, of the amount of the rent of the delinquent vendor for the period in respect to which he has failed to make return, and upon the basis of such estimated amount shall compute and assess the tax payable by the delinquent vendor, adding to the sum thus arrived at a penalty equal to 10% percent thereof, but not less than \$10.00. Promptly thereafter the city shall give the delinquent vendor written notice of such estimated tax, penalty and interest, which notice shall be served personally or by certified mail.

(c) If payments are not made by the vendor within 15 days of such notice, the city manager shall bring an action in law or equity in the district court for the collection of any amounts due, including without limitation penalties thereon. Interest on the unpaid principal at a rate of not exceeding 1% a month, the costs of collection and reasonable attorneys' fees incurred in connection therewith.

(d) It shall be unlawful for any person to fail to pay the tax, to remit the proceeds thereof to the city or to account properly for any lodging and the tax proceeds pertaining thereto. (Code 1984 § 14-73; Ord. No. 1276, 5-1996; Ord. No. 1320, 4-1999) State Law reference— Collection of delinquencies, NMSA 1978, § 3-38-18.

FOR OFFICIAL USE ONLY

Fee paid: _____ Cash: _____ Check #: _____ Credit Card: _____

Approved By: _____ Company Name: _____ Date: _____



NEW MEXICO
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Lodgers' Tax Best Practices Handbook



This handbook's purpose is to provide best practices, unification, standardization, and an overall framework on how to best collect, enforce, and administer these funds by empowering stakeholders and to position tourism leaders to make optimal marketing and promotion decisions that advance their destinations and the industry.

White Sands National
Park

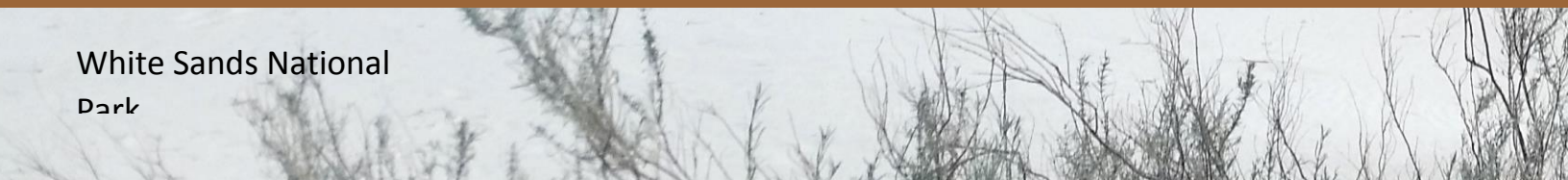


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Disclaimer Statement

The information provided in this document does not, and is not intended to, constitute legal advice. All information, content, and materials referenced in this document are for general informational purposes only and should not be considered legal advice of any kind. Readers of this document should contact an individual attorney to obtain advice with respect to any particular legal matter related to the New Mexico Tax Code or any local Lodgers' Tax statutes. No reader or user of this document should act or refrain from acting on the basis of information contained in the document. Only your individual attorney can provide assurances that the information contained herein — and your interpretation of it — is applicable or appropriate to your particular situation. Use of this document, or any of the resources contained herein, does not create an attorney-client relationship between the reader or user and the NMHA. References are provided for informational purposes only and are subject to change at the discretion of NMHA. The information contained in this document is also subject to changes based on legislative action.

Executive Summary:

Hospitality and tourism is a leading economic driver for the State of New Mexico (second only to oil/gas) contributing \$693 million in state and local tax revenue in 2018. Tourism had its largest economic impact in state history for a seventh straight year, injecting \$7.1 billion into New Mexico's economy and supporting nearly 102,000 jobs in 2019. 1-in-12 New Mexico jobs are supported by visitor spending and tourism sustained 8.5% of all jobs in 2018 (source: NMTD Annual Report—2018).

Due to the importance and impact of tourism to New Mexico's economy, it is critical that tourism funding is used the way it was intended. To continue to attract visitors to New Mexico, effective marketing and promotion is necessary. Lodgers' Tax is a crucial funding mechanism that allows local municipalities to further promote their destinations and drive visitation to their tourism economies.

The Lodger's Tax Best Practices Handbook was designed with six stakeholder groups in mind, with each having an essential role in the collection, enforcement, and administration of Lodgers' Tax.

1. Lodging Businesses
2. Local Government
3. Destination Marketing Organization (DMO) /Lodgers' Tax Administrators
4. Lodgers' Tax Advisory Boards
5. Event Organizers
6. New Mexico Department of Finance Administration — Local Government Division

Purpose of This Handbook:

This handbook's purpose is to provide best practices, unification, standardization, and an overall framework on how to best collect, enforce, and administer these funds to grow the tourism economy by providing guidance and empowering stakeholders and to position tourism leaders to make optimal marketing and promotion decisions that advance their destinations and the industry.

Furthermore, the state Lodgers' Tax statute (also referred to as Occupancy Tax) was established in 1969 for the purpose of allowing municipalities the option to create local Lodgers' Tax ordinances to collect tax for the primary purpose of marketing and promoting their destination to tourists. The local ordinances and administration of the Lodgers' Tax must be executed within the context of the state statute. Lodgers' Tax is an international funding model that has successfully increased tourism and furthered local tourism economies.

www.newmexicohospitality.org - Lodgers' Tax Manual Resources – Lodgers' Tax Statute

Guiding Principles -

1. Sharply focus on the ultimate intent of Lodgers' Tax which is to grow the tourism economy
2. Grow tourism through promotion and development
3. Increase tourism employment
4. Nurture fiscal stewardship



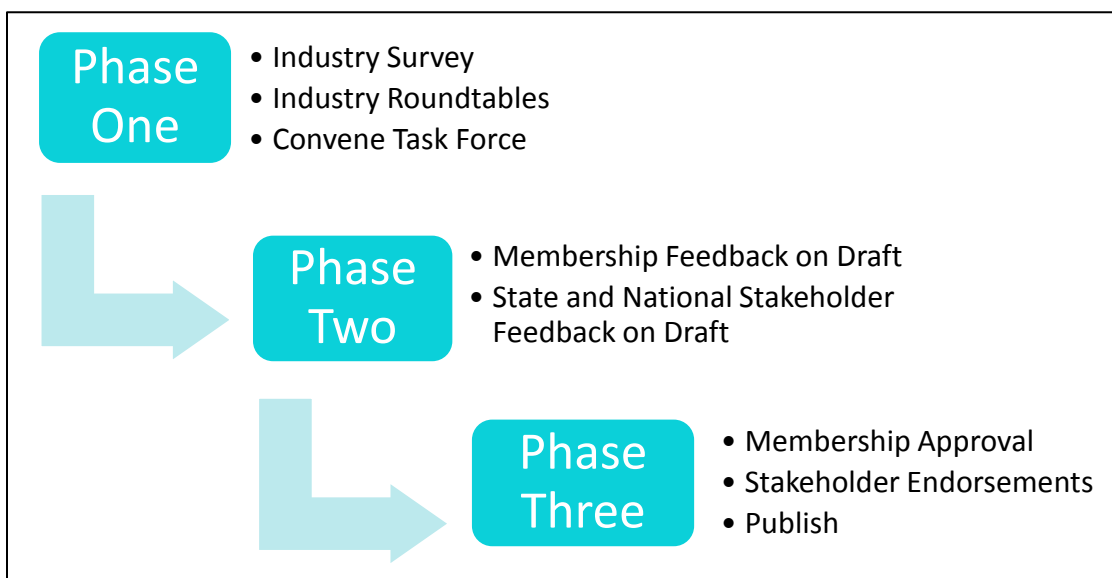
Hospitality and tourism
contributed

\$693 million

in state and local tax
revenue in 2018.

Development Process:

New Mexico Hospitality Association led three phases of development for the Lodgers' Tax Best Practices Handbook.



In the fall of 2019, NMHA conducted a survey of statewide municipalities and counties administration of Lodgers' Tax. The results clearly illustrated the common challenges throughout the state, and the feedback from the tourism industry affirmed the need for a comprehensive Lodgers' Tax resource that addressed the industry's needs:

- To establish uniformity and standardization criteria for collection, expenditure, and administrative practices;
- To compile resources to provide guidance;
- To provide guidance on the technological advancements that have created disrupters and/or altered the tourism industry as well as the marketing/promotion industry; and
- To provide guidance on the online booking platforms, online marketplace platforms and/or short-term rental markets, as commonly termed, that are now a major global tourism player. These properties have historically and largely operated with very little oversight, creating a lack of parity with traditional lodging businesses.

The remaining information, resources and guidance that follows, aligns with the ***Path of Lodgers' Tax Funds*** graphic on the next page. This is designed for the purpose of simplicity and flows with the Lodgers' Tax statute from a process standpoint.



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Path of Lodgers' Tax Funds

COLLECTION Lodging Business



- Be aware of state & local ordinances affecting your business
- Report and pay Lodgers' Tax
- Hold Community accountable for how they invest Lodgers' Tax



SUBMISSION OF REPORTS

Local Governments submit
Lodgers' Tax reports to
NM DFA-Local Government Division



DISBURSEMENT

Destination Marketing Organization
Chambers of Commerce
Event Organizers



Additional Stakeholders:
Regional Tourism Boards
New Mexico Taxation & Revenue Department
New Mexico Tourism Department

ADMINISTRATION OF FUNDS Local Government



- Ensure Lodgers' Tax Code/Ordinance/Resolution is up to date (including accommodation for 2019 SB 106 and 2020 HB117)
- Update policies regarding tracking and reporting for short-term/vacation rentals
 - Investigate feasibility of third party tracking resources
- Create transparency and consistent standards related to the collection and spending of Lodgers' Tax
- Establish and support an engaged Lodgers' Tax Advisory Board

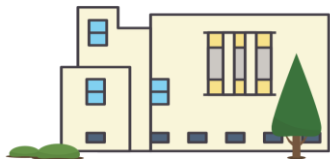


OVERSIGHT & TRANSPARENCY

- Maintain an active local Lodgers' Tax Advisory Board with industry engagement
- Maintain transparency related to the spending of Lodgers' Tax
- Advocate for local governments to update and revise ordinances as necessary and appropriate

Path of Lodgers' Tax Funds:

Collection, administration, and enforcement are the three general aspects relating to Lodgers' Tax and understanding the various roles of stakeholder groups, lends itself to these best practices.



COLLECTION: Lodging Businesses

Lodging Businesses are entities engaged in providing overnight accommodations and services to tourists.

- Be aware of state and local ordinances affecting your business.
- Lodger's Tax is to be collected for each night of a stay of 30 days or less and on days 1 through 30 of an extended stay.
- Report Lodgers' Tax to your local Lodgers' Tax Administrator.
- [Be prepared for an annual audit by your local government.](#)
- Make sure the industry is actively represented on the Lodgers' Tax Advisory Board.
- Hold your community accountable for how they invest Lodgers' Tax-
 - Monitor reports and advocate local governments to ensure Lodgers' Tax is used for intended purposes and hold municipalities, administrators, and event organizers accountable for results



SUBMISSION OF REPORTS: New Mexico Department of Finance Administration — Local Government Division

Collects and posts Lodgers' Tax as reported by local municipalities. Reports are due from local governments to DFA – Local Government Division, within 30 days following the quarter ending report. Example: Fiscal year Q1 (July-Sept) revenue and expense activity report is due to DFA-LGD by October 31.

<http://www.nmdfa.state.nm.us/bfb-forms.aspx>

Pursuant to Statute 3-38-15D(2), this formula applies to a municipality not located in a class A county, or a county which is not a class A county, that is imposing an occupancy tax of more than 2%.

http://www.nmdfa.state.nm.us/County_Classifications.aspx

http://nmdfa.state.nm.us/Financial_Distribution.aspx



GOVERNANCE & ADMINISTRATION OF FUNDS: Local Governments

For these purposes, Local Governments are defined as elective and appointive entities and agencies in political geographic areas (counties or municipalities) that regulate and administer activities engaged in lodging, services, and products provided to tourists. In fiscal year 2018, New Mexico Lodgers' Tax was over \$53,000,000 according to New Mexico's Department of Finance Administration — Local Government Division.

- Every local governing body must ensure their Lodgers' Tax Code/Ordinance/ Resolution is up to date with the current Statute.

The local ordinance should include, at minimum:

- Definitions
- Declaration of % to be collected based on the size of the community ([See Figure #1](#))
- Requirements for collecting tax from lodgers
- Requirements for quarterly reporting
- Policy and Procedures on how funds will be used
- Policy and Procedures on how ordinance will be enforced
- Short-term rental platforms are now required to pay Lodgers' Tax — this is outlined in [PART 2](#).
- In 2019, Senate Bill 106 (SB106) was passed, removing the 3-room exemption and making it easier for communities to track short-term/vacation rentals and collect applicable taxes.
<https://legiscan.com/NM/bill/SB106/2019>
- In 2020 House Bill 117 (HB117) was passed, amending the Act to alter certain exemptions and changing the allowable uses of occupancy tax revenue to allow some communities to extend Lodgers' Tax to rentals longer than 30 days. <https://legiscan.com/NM/bill/HB117/2020>

Calculating How Lodgers' Tax Funds Can Be Spent (Restrictions) -

New Mexico's Lodgers' Tax Act has a very specific formula to determine the absolute minimum amount of Lodgers' Tax proceeds that must be spent on marketing and promotion. There are other restrictions for the remaining proceeds; however, all Lodgers' Tax proceeds must be used with the intent to grow the tourism economy. This formula is outlined in section 3-38-15-D of the Lodgers' Tax Act or check here:

<https://law.justia.com/codes/new-mexico/2018/chapter-3/article-38/section-3-38-15/>

Dependent upon the city's or county's classification, there are different requirements for the percent of funds that must be used for marketing and promotion. To determine a municipality's restrictions and/or confirm a city and/or county's classification see [Figure #2](#). The flowchart illustrates how to calculate the Lodgers' Tax restriction rate.

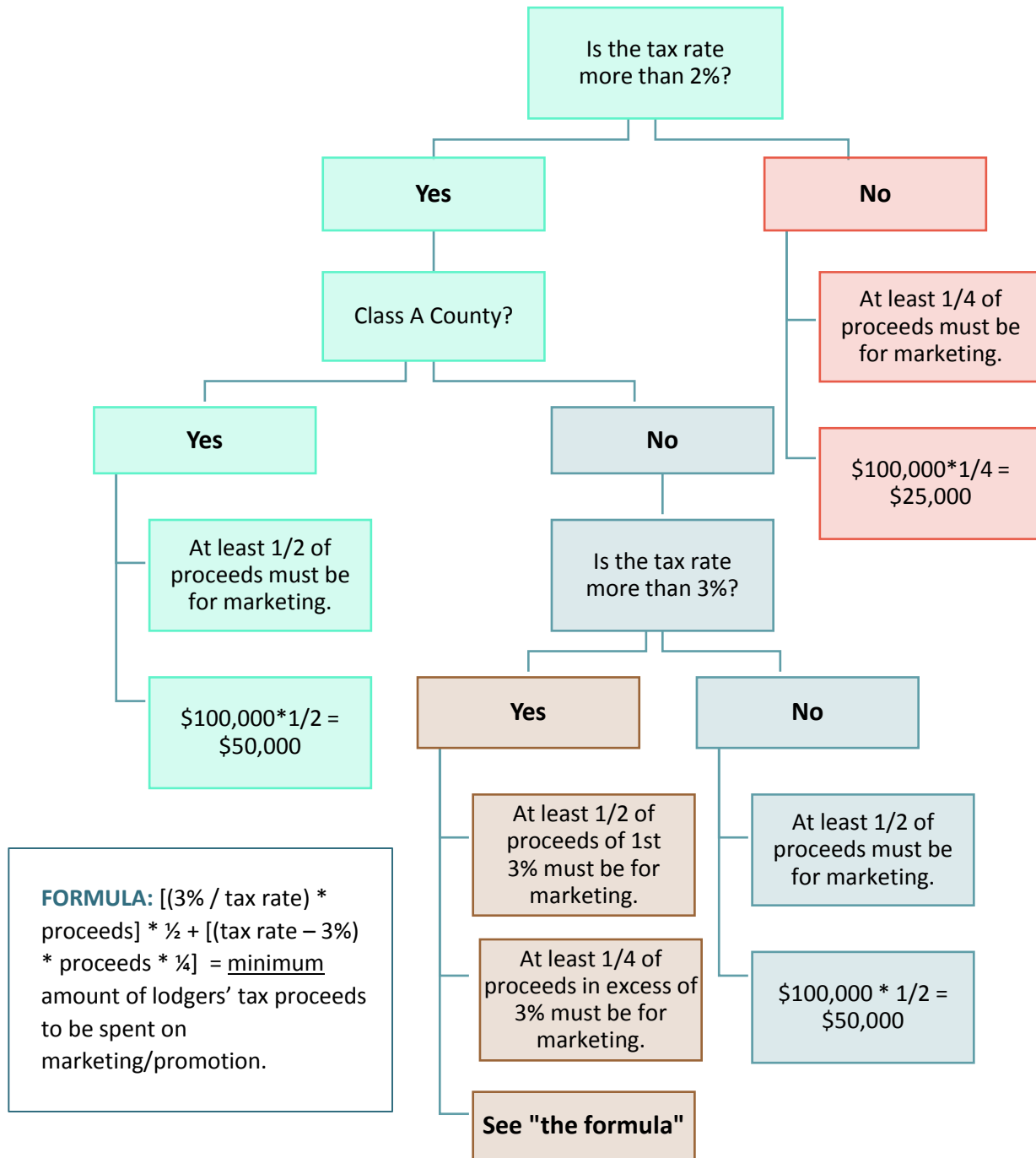
*Examples for all items can be found in the Resource Appendix [on Page 37](#).

**Figure #1: Lodgers' Tax Rates for New Mexico
Municipalities & Counties**

MUNICIPALITY	LODGER'S TAX RATES (SPECIAL TAXES & FEES
ALAMOGORDO	5%
ALBUQUERQUE	5%
ALBUQUERQUE Hospitality Fee Act 1	1%
ALBUQUERQUE TOTAL	6%
ANGEL FIRE	5%
ARTESIA	5%
AZTEC	5%
BELEN	4%
BERNALILLO	3%
BLOOMFIELD	3%
CAPITAN	3%
CARLSBAD	5%
CARRIZOZO	3%
CHAMA	4%
CIMARRON	4%
CLAYTON	5%
CLOUDCROFT	5%
CLOVIS	5%
COLUMBUS	5%
CORRALES	3.5%
CUBA	3%
DEMING	5%
EAGLE NEST	3%
EDDY COUNTY	5%
ELEPHANT BUTTE	5%
ESPANOLA	5%
FARMINGTON	5%
FARMINGTON Convention Center Financing	\$2.50 / room / night
FARMINGTON TOTAL	5% + \$2.50 /room/night
FORT SUMNER	5%
GALLUP	5%
GRANT COUNTY	5%
GRANTS	5%
HATCH	3%
HOBBS	5%
HURLEY	3%
JEMEZ SPRINGS	5%
LAS CRUCES	5%
LAS CRUCES Convention Ctr Financing	\$2.50 / room / night
LAS CRUCES TOTAL	5% + \$2.50 /room/night
LAS VEGAS	4%
LINCOLN COUNTY	4%
LOGAN	3%

MUNICIPALITY	LODGER'S TAX RATES (SPECIAL TAXES & FEES
LORDSBURG	5%
LOS ALAMOS	5%
LOS LUNAS	4%
LOVINGTON	5%
LUNA COUNTY	5%
MAGDALENA	4%
MESILLA	5%
MILAN	3%
MORIARTY	5%
MOUNTAINAIR	3%
PORTALES	5%
RATON	5%
RED RIVER	5%
RESERVE	5%
RIO ARriba COUNTY	3%
RIO RANCHO	5%
ROSWELL	5%
ROSWELL Convention Center Financing	\$2.50 / room / night
ROSWELL TOTAL	5% + \$2.50 /room/night
RUIDOSO	5%
RUIDOSO DOWNS	5%
SAN MIGUEL	5%
SANDOVAL COUNTY	5%
SANTA FE	5%
SANTA FE Convention Center Fund Act	2%
SANTA FE TOTAL	7%
SANTA FE COUNTY	4%
SANTA ROSA	5%
SIERRA COUNTY	3%
SILVER CITY	5%
SOCORRO	5%
SOCORRO COUNTY	3%
SPRINGER	3%
T OR C	5%
T OR C Convention Center Funding	1%
T OR C TOTAL	6%
TAOS	5%
TAOS COUNTY	5%
TAOS SKI VALLEY	5%
TUCUMCARI	5%
VAUGHN	5%
WILLIAMSBURG	3%

Figure #2: Lodgers' Tax Restriction Rate Formula and Flowchart



After calculating the absolute minimum amount of Lodgers' Tax proceeds that must be spent on marketing and promotion, it is important to note that spending as much Lodgers' Tax funds as possible on marketing and promotion is most beneficial to grow tourism, increase visitation, increase visitor spend and create jobs.

Other Allowable Uses of Lodgers' Tax Proceeds -

The statute recognizes that there are costs associated with the collection, administration, and management of the Lodgers' Tax process as well as the creation and maintenance of the tourism infrastructure.

Accordingly, subject to the limitations contained in Section 3-38-15 NMSA 1978 a municipality or county imposing a Lodgers' Tax may, once the required minimum amount of Lodgers' Tax proceeds that must be spent on marketing and promotion has been met, use the proceeds from Lodgers' Tax to defray costs of:

<https://law.justia.com/codes/new-mexico/2018/chapter-3/article-38/section-3-38-15/>

- Collecting and otherwise administering the occupancy tax, including the performance of audits required by the Lodgers' Tax Act pursuant to guidelines issued by the Department of Finance & Administration – Local Government Division;
- Establishing, operating, purchasing, constructing, otherwise acquiring, reconstructing, extending, improving, equipping, furnishing or acquiring real property or any interest in real property for the site or grounds for tourist-related facilities and attractions or tourist-related transportation systems of the municipality or the county in which the municipality is located;
- The principal of and interest on any prior redemption premiums due in connection with and any other charges pertaining to revenue bonds authorized by Section 3-38-23 or 3-38-24 NMSA 1978
<https://law.justia.com/codes/new-mexico/2011/chapter3/article38/section3-38-23/>
<https://law.justia.com/codes/new-mexico/2011/chapter3/article38/section3/38-24/>
- Providing police and fire protection and sanitation service for tourist-related facilities, attractions and events located in the respective municipality or county;
- Providing a required minimum revenue guarantee for air service to the municipality or county to increase the ability of tourists to easily access the municipality's or county's tourist-related facilities, attractions and events; or
- Contracting for the management of programs and activities funded with revenue from the Lodgers' Tax (Section 3-38-21 NMSA 1978 - https://law.justia.com/codes/new-mexico/2006/nmrc/jd_3-38-21-26ab.html). Funds provided to the contracting person or governmental agency shall be maintained in a separate account established for that purpose and shall not be commingled with any other money. The contractor may spend Lodgers' Tax funds on day-to-day operations, supplies, salaries, office rental, travel expenses and other administrative costs only if those administrative costs are incurred **directly** for the purpose of managing the programs and activities funded with revenue from the Lodgers' Tax.
- Any combination of the foregoing purposes or transactions stated in this section, but for no other municipal or county purpose.

Exemptions (Cannot Tax) -

The Lodgers' Tax does not apply in the following situations:

- If a renter/vendee is using the premises as their permanent residence of over thirty (30) days and has entered into a written agreement for use of the taxable premises;
- If the rent paid by a vendee is less than two dollars (\$2.00) per day;
- Lodging accommodations at institutions of the federal government, the state or any political subdivision thereof;
- Lodging accommodations at religious, charitable, educational or philanthropic institutions, including accommodations at summer camps operated by such institutions;
- Clinics, hospitals or other medical facilities; or
- Privately owned and operated convalescent homes or homes for the aged, infirm, indigent or chronically ill.

Vendor & Municipality Accountability:

Vendor Accountability –

Per the Lodgers' Tax Statute, every vendor providing lodging within a county or municipality that imposes a lodgers' tax is responsible for collecting and reporting that tax. If the county or municipality collects more than \$250,000 in lodgers' tax revenue, the governing body must conduct random audits of vendors to confirm compliance. The audit requirements are to be outlined in the local Lodgers' Tax ordinance (3.38.20) and should specify:

- the times, place and method for the payment of the occupancy tax proceeds to the municipality or county;
- the accounts and other records to be maintained in connection with the occupancy tax;
- a procedure for making refunds and resolving disputes relating to the occupancy tax, including exemptions pertaining thereto;
- the procedure for preservation and destruction of records and their inspection and investigation;
- vendor audit requirements;
- applicable civil and criminal penalties; and
- a procedure of liens, distraint and sales to satisfy such liens.

<https://codes.findlaw.com/nm/chapter-3-municipalities/nm-st-sect-3-38-20.html>

***Note: Most local ordinances include confidentiality language regarding the results of Lodgers' Tax Audits.**

(Sample language — It is unlawful for any employee of the City to reveal to any individual, other than another employee of the City, any information contained in the return or audit of any taxpayer, including vendors subject to the Lodgers' Tax Act, except to a court of competent jurisdiction in response to an order thereof in an action related to taxes to which the City is a party, and in which information sought is material to the inquiry; to the taxpayer himself or to his authorized representative; and in such manner, for statistical purpose, the information revealed is not identified as applicable to any individual taxpayer.)

Municipality Accountability –

As previously mentioned, every municipality is required to file Lodgers' Tax reports with DFA – Local Government Division. Lodgers' Tax Reports can be accessed at:

http://www.nmdfa.state.nm.us/Financial_Distribution.aspx

Every municipality is also required to have an annual audit. The Office of the State Auditor in accordance with the Audit Act, §§12-6-1 to 12-6-14, NMSA 1978, is tasked with thoroughly examining and auditing the financial affairs of every agency and political subdivision of the state that receives or expends public money from whatever source derived, including counties and municipalities.

Annual audit reports can be viewed at: <https://www.saonm.org/auditing/audit-report-search/>

Moreover, the Office of the State Auditor maintains a hotline that allows the public to report allegations financial fraud, waste or abuse. This tool allows individuals to report 24 hours a day, seven days a week either on the record or anonymously. Reports may be made through <https://secure.ethicspoint.com/domain/media/en/gui/58852/index.html> or by calling 1-866-OSA-FRAUD (1-866-672-3728).



OVERSIGHT & TRANSPARENCY: Lodgers' Tax Advisory Boards

As outlined in the Lodgers' Tax Act [3-38-13 through 3-38-24 NMSA 1978], the mayor or county commission chair of every municipality or county that imposes an occupancy tax shall appoint a five-member advisory board that consists of:

- Two members who are owners or operators of lodgings subject to the Occupancy Tax within the municipality or county,
- Two members who are owners or operators of industries located within the municipality or county that primarily provide services or products to tourists; and
- One member who is a resident of the municipality and represents the general public.

The advisory board's Involvement may vary depending on the nature of each community or county tourism management structure; however typically the advisory board shall:

- Advise the respective governing bodies on the expenditure of funds authorized by Section 3-38-15 NMSA 1978 for advertising, publicizing and promoting tourist attractions and facilities in the respective counties and municipalities; and
- Submit to the mayor and council or county commission recommendations for the expenditures of funds authorized pursuant to the Lodgers' Tax Act for advertising, publicizing and promoting tourist-related attractions, facilities and events in the respective counties and municipalities.

Lodgers' Tax Advisory Boards **are subject to the New Mexico Open Meetings Act:**

<https://www.nmag.gov/uploads/files/Publications/ComplianceGuides/Open%20Meetings%20Act%20Compliance%20Guide%202015.pdf>

For detailed information on a municipality's Lodgers' Tax Advisory Board, you can research the codified ordinances for that particular community or county — the clerk, general counsel or executive leadership of the community or county are also good resources.



DISBURSEMENT: Lodgers' Tax Administrators

Destination Marketing Organizations (DMO) (sometimes known as Convention Visitors Bureaus or CVBs) promote the long-term development and marketing of the destination, serving those attractions and activities of tourist related services and products for the purpose of driving visitation to that destination. Chambers of Commerce in communities without a DMO or CVB, may serve in that capacity as might Event Organizers contracted to organize, promote and operate fairs, festivals, meetings and conferences and other group events which draw visitors and tourism to the destination.

BEST PRACTICE: Industry Statistics to *Always* Have on Hand

Knowing that differing interpretations of existing law and/or a lack of awareness of Lodgers' Tax requirements can occur when new leadership comes on board, which can be new elected officials, new Lodgers' Tax Advisory Board members, or a new Municipal Administrator, it is important to be proactive in educating and communicating the value, importance, process and policy — data and statistics are effective talking points and can be used to gain support. Consider having on hand current information specific to the community or county that highlights areas such as:

- the economic impact of the hotel/tourism industry on the State's economy and on your specific city or region;
- employment numbers by the visitor industry-hotels, restaurants, bars, retail, transportation, amusement and recreation sectors;
- where visitors stay (with friends and relatives, in short- term rentals, at hotels, in apartments, etc.)
- what visitors spend on transportation, retail, lodging, meals, etc.;
- occupancy, average daily rate, and actual demand history for your community;
- any other numerical support for the statistics from other credible sources; and
- portray this information on a pie chart to show that there are many others and larger beneficiaries of the tourist dollar



DISBURSEMENT: Determination of Applicable Use & Funding Requests

While all Lodgers' Tax funds are intended to support tourism growth with an emphasis on increasing day trips and marketable overnight visits, there is a portion of the proceeds that are **required** to be used to specifically **advertise, publicize and promote tourist-related attractions, facilities and events** which is calculated using the provided formula on page 9. The remaining funds may be utilized for

several tourism related expenditures with the intent to increase Day Trips and Marketable Overnight Trips.

<https://codes.findlaw.com/nm/chapter-3-municipalities/nm-st-sect-3-38-15.html>

STEP ONE: Understand the use provisions:

Component #1: Define “tourism related events”

*“Tourism-related events” means events that are **planned for, promoted to and attended by** tourists (3-38-14.I).*

<https://codes.findlaw.com/nm/chapter-3-municipalities/nm-st-sect-3-38-14.html>

Component #2: Define the term ‘tourist.’

“Tourist” means a person who travels for the purpose of business, pleasure or culture to a municipality or county imposing an occupancy tax (3-38-14.H).

<https://codes.findlaw.com/nm/chapter-3-municipalities/nm-st-sect-3-38-14.html>

- The key word is travel and New Mexico Tourism Department best practices define a tourist as “one that travels *60 miles or more from their residence”
*Note that 60 miles is the preferred standard, but in rural New Mexico that is not always applicable.

Component #3: Define “planned for, promoted to, and attended by”

- The term **“planned for”** suggests that the event must be specifically produced with the intent to attract tourists. This component of the definition will quickly disqualify many events that are produced for the citizens of a municipality.
- The term **“promoted to”** suggests that the event must be promoted specifically to tourists. To be considered a tourist, a person must travel for the purpose of business, pleasure or culture; therefore, the event must be promoted outside of the given municipality where the event is to be located, which means the media purchased must target media markets outside of the municipality. Best practices suggest that the event should be promoted outside at least a 60-mile radius.
- The term **“attended by”** suggests that tourists must actually be at the event to qualify as a tourism-related event. It is critical to track where event attendees are from so event planners and Lodgers’ Tax administrators know if tourists actually attended the event.

Component #4: Statutory Definition of “tourism-related facilities and attractions”

“tourist-related facilities and attractions” means facilities and attractions that are intended to be used by or visited by tourists (3-38-14.J)

<https://codes.findlaw.com/nm/chapter-3-municipalities/nm-st-sect-3-38-14.html>

Common examples include natural and cultural sites, historical places, monuments, zoos and game reserves, aquaria, museums and art galleries, gardens, architectural structures, theme parks, sports facilities, festivals and events, and wildlife.

STEP TWO: Understand other definitions for use provisions

While the Lodgers' Tax Statute does not define all terms and terminology, it is important to utilize standard definitions when evaluating Lodgers' Tax requests and determining the use of Lodgers' Tax funds. Some standard terms include:

- Marketing
- Advertising
- Publicizing
- Promotion
- Marketable Overnight Trips

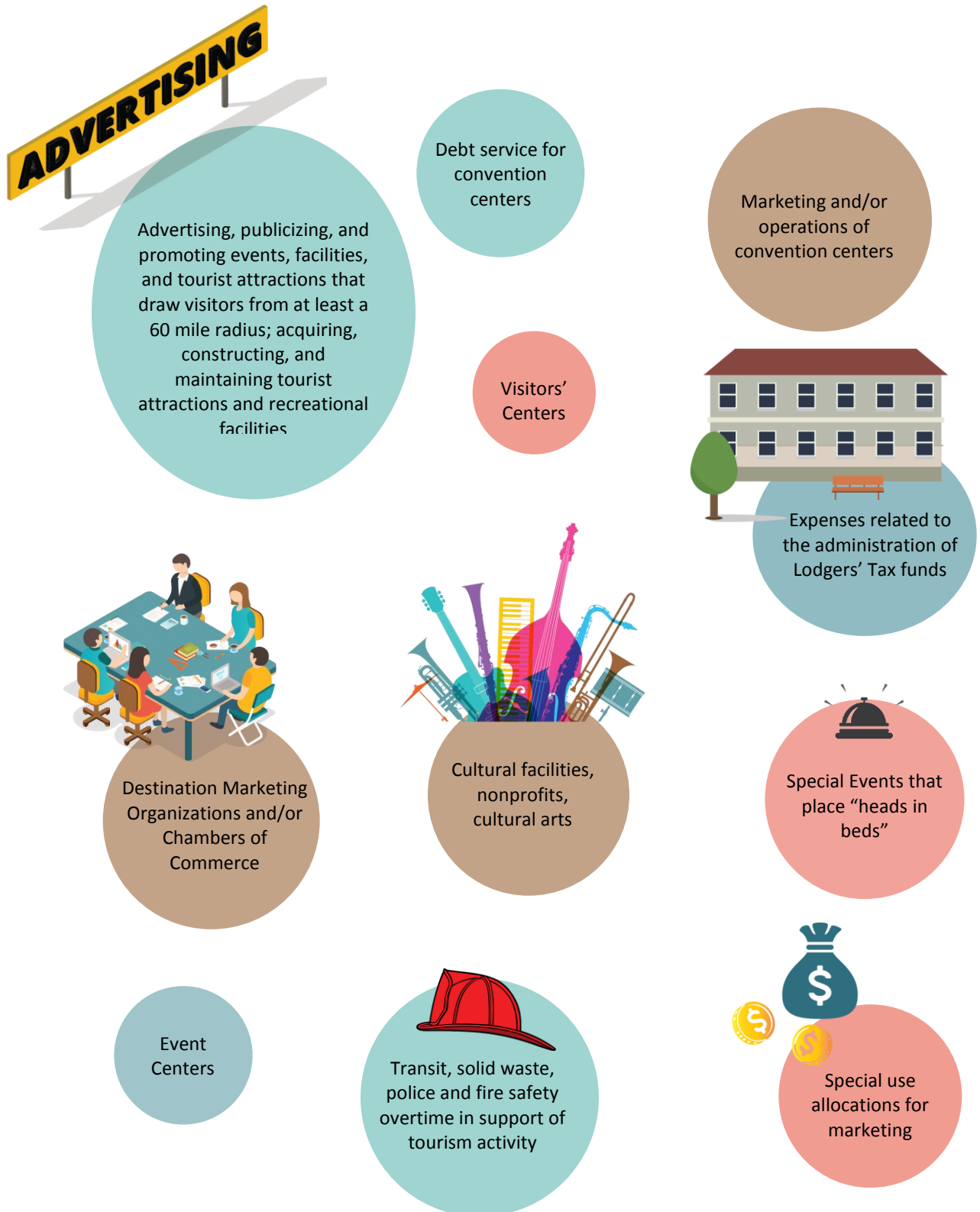
These terms are defined in the Definitions Section beginning on Page 34. (Definition Sources: American Marketing Association, US Travel Association, UNWTO – United Nations World Tourism Organization).

STEP THREE: Develop a strategic process for funds use

TIPS	
Identify ways for the project to produce or convert visitation into "heads in beds". Include or request a plan that sets a goal to ensure a percentage of visitors stay at lodging properties that collect lodgers' tax	Consider the development of a community marketing strategy or tourism development strategy so that all requests roll up to the overall goals and objectives.
Consider involving the lodging properties for rate and occupancy benefits during shoulder or peak seasons.	Identify and require each project to outline the priority to reach visitors in specific markets and that the approach meets the 60-mile radius threshold
Identify the planned promotional activities (type of media, geographic reach of media, special publications)	Leverage additional community support that meets the projects needs while at the same time pledges a portion of lodgers' tax funds (in-kind, business/corporate support, etc.)

<p>Present information in a consistent fashion — ensure data listed in one area of an application matches other references</p>	<p>Consider hosting a workshop to explain lodgers' tax as an economic driver to stakeholders and lodgers' tax fund requestors so they understand the standardized process. Other workshops can be held to educate on who should be paying lodgers' tax and what it does.</p>
<p>Establish methods for tracking attendance, lodging, and other data. <i>(Samples are provided in the Resource Appendix)</i></p>	<p>Make sure the economic impact figures are accurate and have data to reinforce. Develop or utilize an impact analysis sheet. <i>(A sample is provided in the Resource Appendix)</i></p>
<p>Establish methods to evaluate program success to quantify and quality Return on Investment (ROI) and/or Economic Impact.</p>	<p>Make sure you demonstrate how your project serves the community brand</p>

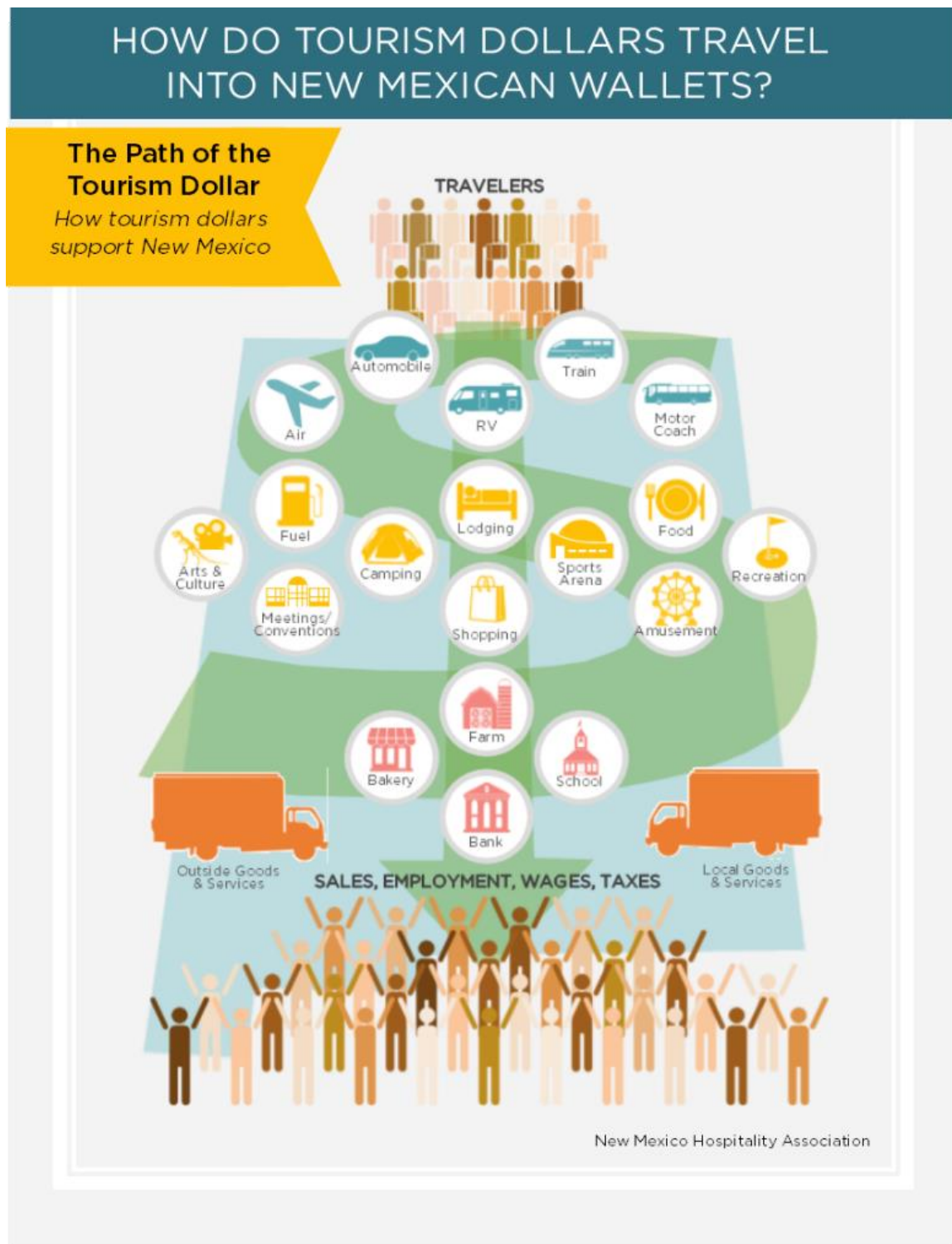
STEP FOUR: Consider these Statutory Requirements and Best Practice Recommendations



Acceptable Advertising Uses of Lodgers Tax	Alternative Uses
A wine festival that promotes the event to the defined tourist and is attended by the defined tourist (outside a 60-mile radius).	Utilization of Lodgers' Tax to sponsor a Wedding Expo where hotels and other wedding vendors participate in a trade show and the local community attends to seek out their favorite vendors for their upcoming wedding.
A marketing campaign to promote a community asset or event, with a direct focus on a specific drive or fly market audience, that has an overnight stay (or multiple) component, and an ancillary spend component.	A marketing campaign for niche print publications or to enthusiasts, such as RV'ers, to visit a destination or attend an event that does is either not a high valued traveler, and/or does not have a conversion factor: overnight lodging
Print, digital, social, and out of home media uses. Media buy in a targeted drive market in another state. The media buy is to promote destination (i.e. street car wrap, trolley signage)	A marketing or promotion campaign touting assets that limits the travelers experience to only a day trip.
Travel and Adventure Tradeshow branded booth signage or shows in target market that consumers are attending. The ROI is brand impressions.	An event, attraction or product in which the marketing, promotion or advertising is not beyond the 60-mile radius, which generates a better ROI of new /increased visitors and new/increased spend.
Targeted ads in multimedia platform for a seasonal event during shoulder season that is focused on overnight or multiple night stays ("heads in beds")	Design and production of a banner, sign, or product that does not drive the consumer to a call to action like ancillary spend or overnight or multiple night stay.

DISBURSEMENT: Measure the Return on Investment (ROI) and Economic Impact

Tourism generates, directly and indirectly, an increase in economic activity of the places visited (and beyond), mainly due to demand for goods and services produced and provided at the destination. Tourism's direct impacts are measured in "economic contribution". The following graphic provides a visual roadmap:



Lodgers' Tax is shared by both lodging providers and their guests. Maintaining a competitive overall travel tax rate is essential for tourism growth and development.

Leveraging the current momentum and making every potential marketing dollar work harder and smarter is imperative. Lodgers' Tax is a powerful marketing and promotion funding mechanism that can drive economic vibrancy in local communities. Every community has a vested interest and responsibility to safeguard their Lodgers' Tax fund and work tirelessly to make this fund achieve its full potential. All Lodgers' Tax stakeholder groups have a deep obligation to each other, to their community and their fellow New Mexicans; someone's job depends on it.

Marketing Return on Investment (MROI):

Understanding of MROI (marketing return on investment, aka ROMI or return on marketing investment) in a general sense would be beneficial. There are various tools that provide either a flat metric/algorithm that can be applied to any kind of marketing spend and there are those that can quantify something that is channel-specific (like how TV broadcast metrics are different from social-media marketing metrics).

Following are a few universal resources to understand the importance of calculating, measuring and evaluating the effectiveness of marketing spend.

- New Mexico Tourism Dept Co-Op Marketing Grant Program builds a community's marketing capability through media consultations and technical assistance that provides measurable results and performance reporting to demonstrate the impact to your destination, attraction or event.

<https://www.newmexico.org/industry/work-together/grants/co-op-marketing/>

- Harvard Business Review:
<https://hbr.org/2017/07/a-refresher-on-marketing-roi>
- A white paper from Deloitte:
<https://www2.deloitte.com/content/dam/Deloitte/us/Documents/CMO/cmo-mroi-defined.pdf>

Return on Investment:

Return on Investment (ROI) research is key to understanding the effects of tourism marketing on visitor spending and demand. Return on investment in tourism measures the direct impact of specific marketing materials on consumers' decisions to visit a particular destination. In most ROI studies, travelers who would have visited a destination without marketing (ie, repeat visitors, travelers visiting friends and family, and business travelers) are excluded from the sample, leaving only persuadable consumers. These consumers are then asked to recall specific marketing and to provide data on their travel habits. When this sample is extrapolated to the population level, an estimate of directly influenced trips and spending can be established. This allows destination marketing organizations to determine what kinds of advertisements work best with which populations, allowing for a smarter expenditure of funds and ultimately a more efficient marketing campaign with a greater return in trips and spending.

Economic Analysis:

As mentioned before, tourism generates economic activity directly, indirectly and through induced means in the places visited (and beyond), mainly due to demand for goods and services that needs to be produced and provided. In the economic analysis of tourism, one may distinguish between tourism's 'economic contribution' which refers to the direct effect of tourism and is measurable and tourism's 'economic impact' which is a much broader concept encapsulating the direct, indirect and induced financial effects of tourism and which must be estimated by applying models. Economic impact studies aim to quantify economic benefits, that is, the net increase in the wealth of residents resulting from tourism, measured in monetary terms, over and above the levels that would exist in its absence. Economic analysis allows communities to understand the specific contributions of visitor spending compared to local resident spending. This can provide communities with an understanding of where tourism dollars are going and how money flows through local economies, allowing for targeted economic development. Economic analysis can also serve as a tool for advocacy, both for improving resident sentiment and for allocation of funding.

Examples for ROI, Economic Impact Analysis and Report Types are in the Resource Guide on Page 37 and at www.newmexicohospitality.org – Lodgers' Tax Resources – Economic Impact Tools

Additional Stakeholders:

- **Regional Tourism Boards:** Six regional marketing boards created by the NM Tourism Department charged with monitoring and coordinating local and regional marketing efforts to support and enhance the department's mission to drive visitation to the state
<https://www.newmexico.org/industry/work-together/partnership-opportunities/regional-marketing-boards/>
- **New Mexico Taxation & Revenue Department:** As of July 1, 2019, online sales and marketplace services are subject to New Mexico Gross Receipts Tax. For more information, go to: <http://www.tax.newmexico.gov/>
- **New Mexico Tourism Department:** Municipalities and events can expand the impact of their Lodgers' Tax dollars through collaboration with the Tourism Department through the *New Mexico True Co-Op Marketing Program*. For more information, go to: <https://www.newmexico.org>

Additional Tourism Development Financing Mechanisms:

Currently, twelve counties and sixty-two cities impose Lodgers' Tax in New Mexico, and there are six (6) special hospitality or convention fees.

HOSPITALITY FEE – Albuquerque (3-38A-1 through 3-38A-12 - <https://law.justia.com/codes/new-mexico/2013/chapter-3/article-38a/>)

CONVENTION CENTER FINANCING ACT – Las Cruces, Farmington, Roswell, Truth or Consequences (3-38A-1 through 3-38A12 - <https://law.justia.com/codes/new-mexico/2013/chapter-3/article-38a/>)

CONFERENCE & CONVENTION CENTER FINANCING ACT – Santa Fe (5-14-1 through 5-14-15 - https://law.justia.com/codes/new-mexico/2006/nmrc/jd_5-14-1-3b45.html)

TAX INCREMENT DEVELOPMENT DISTRICTS (TIDD) – Mechanisms to support economic development and job creation by providing gross receipts tax financing and property tax financing for public infrastructure - Sections 5-15-2 NMSA 1978 - https://law.justia.com/codes/new-mexico/2006/nmrc/jd_5-15-2-3b85.html

Short-term rental platforms are now required to pay Lodgers' Tax.

The industry must continue to monitor new entrants into the hospitality arena and ensure that statutes and policies adapt to maintain level playing fields and ensure that tax revenue is collected. An updated report on the impact of short-term rentals in New Mexico is available at www.newmexicohospitality.org



PART 2 -

Overview of the Short-term Rental Market:

Local governments across the state are focused on finding ways to manage the rapid growth of home-sharing and short-term rental properties in their communities. This involves balancing the rights of private citizens to generate revenue with the impact on the surrounding communities and ensuring parity between private lodging options and the traditional lodging community.

It is apparent that this market disruptor generates both positive and negative aspects for a community; however, it's imperative that local governments adopt sensible and enforceable regulation that maintain level playing fields and ensure tax revenue is collected. The industry must continue to monitor new entrants into the hospitality arena and ensure that statutes and policies adapt.

Short-term rental platforms are now required to pay Lodgers' Tax. In 2019, Senate Bill 106 was passed removing the 3-room exemption and making it easier for communities to track short-term/vacation rentals and collect applicable taxes. <https://legiscan.com/NM/text/SB106/2019>

At times when a community or state is faced with a declining revenue base, sources of revenue from non-voters (i.e. visitors) will be as popular as ever. Due to the importance and impact of tourism to New Mexico's economy, it is critical that tourism funding is used the way it was intended — to continue to attract visitors to New Mexico and grow the tourism economy. Marketing and promotion is a necessity for that and everyone benefits from an economically healthy and attractive tourism industry.

Short-term Rental Impact in New Mexico:

With recent technology disruptions and online booking agents, the short-term rental market is now a major global tourism player. These properties largely operate in the dark without collecting tax (Gross Receipts Tax and Lodgers' Tax) or complying with public safety regulations and licensing. As a best practice, research was needed to establish a baseline and provide guidance for the policy development.

The New Mexico Hospitality Association updated an audit and fiscal impact analysis of short-term rentals in the State of New Mexico that was previously conducted in 2017 (research compiled in December 2016). The purpose of the update was to identify the number of active short-term rentals in the state, compare the 2019 market to the 2017 short-term rental market, and identify the additional estimated revenue that will be generated since the loophole exempting rental units with three rooms or less is no longer in effect as of January 1, 2020.

- The scope of the audit included every community and county in New Mexico and the purpose was to identify the number of active short-term rental properties and the potential gross receipts and lodgers' taxes that could be generated from these properties.
- In 2017, Southwest Planning and Marketing identified a total 4,076 of short-term rental properties, of which 3,587 were taxable (after removal of the 3-room exemption).
- As of December 2019, the number of short-term rentals is estimated to be 5,659, all of which will be taxable beginning on January 1, 2020. If the exemption had not been removed, the total estimated number of taxable properties would have been 4,981.
- Please note that there is currently no way to capture all short-term rentals, so all numbers related to this issue are conservative estimates.

Using an average annual conservative occupancy scenario for short-term rentals of 40% to determine the estimated fiscal impact of short-term rentals as of January 1, 2020 resulted in an estimated \$7.1 million generated annually in lodgers' tax to communities and counties and \$11.5 million generated annually in gross receipts tax (GRT) (total estimated taxes of \$18.6 million).

For contrast purposes, had the 3-room exemption not been removed, just \$6.0 million would be generated in lodgers' tax and \$9.8 million in GRT (total estimated taxes of \$15.9 million) from these short-term rentals.

Findings:

5,659 total active short-term rentals were identified and an estimated total of 12,008 active available short-term rental room nights were for rent in New Mexico as of December 2019. Average room rates, average number of bedrooms per property, individual property gross receipts tax (GRT), and individual property lodgers' tax rates were used to determine the potential revenue generated in New Mexico from short-term rentals. Assuming all rooms are occupied 100% of the time, total potential estimated tax revenue generated from these short-term rentals effective January 1, 2020 is \$46.5 million based on a total estimated gross revenue of \$354.0 million.

All Properties – 100% Occupancy	
Number of Properties	5,659
Average Number of Bedrooms	2.1
Number of Bedrooms	12,008
Available Room Nights (365 days)	4,383,054
Average Statewide Rate per Room	\$81
Total Revenue	\$353,965,007
Lodger's Tax (Avg. 5.0%)	\$17,658,127
GRT (Avg. 8.2%)	\$28,856,374
Total Taxes Generated	\$46,514,501

Creating Effective Short-term Rental Policies:

Many communities in NM are developing stand alone or separate policies and procedures for this platform and an increasing number of municipalities are looking for the best way to regulate short-term rentals. Each community must design a regulation and oversight system that works for their needs.

Part 1 of this handbook outlines the process within the Lodgers' Tax Act for compliance, enforcement and administration of Lodger's Tax. As such, that material remains relevant in this platform and can be duplicated with the same steps for the Short-term Rental policy and process.

Guiding Principles -

1. Sharply focus on the ultimate intent of Lodgers' Tax to grow the tourism economy
2. Grow tourism through promotion and development
3. Increase tourism employment
4. Nurture fiscal stewardship
5. Ensure that short-term rentals are taxed in the same way as traditional lodging providers to ensure a level playing field
6. Develop policy and procedures that minimize public safety risks, noise, trash, zoning, parking, and affordable housing concerns often associated with short-term rentals

Assess the Situation:

The Resource Appendix will include examples from various New Mexico communities, specific to this platform. Before beginning the formal process, it is prudent to evaluate the situation within your community to effectively implement the policy and to monitor, enforce and administer this evolving market for Lodgers' Tax revenue purposes:

- Are you enforcing laws already on the books?
- Has your community or county expressed an interest in implementing solutions that do not overly regulate businesses — what are those collective suggestions?
- What is the economic impact to the municipality from rental activity (lodging tax revenue, rental and restaurant activity, attractions, direct jobs, related service jobs, home service providers, landscapers, realtors, professional services, etc.)?
- What is the impact on property values?
- What is the cost of monitoring/enforcement?

If the economic impact from rental activity in your community or county has not been measured, this is the most responsible place to start. Regulating activity without understanding the adverse consequences can result in legal challenges/lawsuits and high non-compliance rates. Studies can be commissioned by service providers in this arena.

- What kind of short-term rental activity do you have?
- What is your current planning strategy for the activity in the community or county?
- If there are complaints from residents regarding existing short-term rentals, which type of short-term rental is causing the most issues or complaints? And what types of complaints are you receiving? How many?
- Can any of the identified problems be resolved by working directly with owners/management without new ordinances/regulations? If facing complaints from constituents, how many formal complaints are there? Have you engaged the police department/zoning/other departments in identifying responses to complaints?

Start with Explicit Policy Objectives:

- There is no “one size fits all” approach that will work for all communities. Local regulations should be adopted to fit the local circumstances in a practical and cost-effective manner.
- Once clear and concrete policy objectives have been formulated, take the time to understand what information can be used for code enforcement purposes, in a cost-effective manner.
- Consider policy objectives that factor in community or county aspects, like for an urban community with a shortage of affordable housing, or for an area with ample housing availability and a struggling downtown, as examples.
- Ensure your community or county has the budget, monitoring systems, and workforce to monitor and enforce regulations
- Establish a reporting module and metric model. Track compliance rate, tax revenue changes, etc. Metrics are important to reflect the value and impact behind the policy.
- Look at options for entering into Voluntary Collection Agreements

KEEP IT SIMPLE:

- *Adopt policies that are not complicated, hard to understand or comply with and enforce*
 - *Factor in the investment of time and money for enforcement*
 - *Set goals and benchmark.*
-

Ideas for Regulatory Approaches:

As mentioned earlier, the first step to creating effective short-term rental regulation is to set clear and concrete policy objectives. Once this has been accomplished, it is now time to establish regulatory levers that are practical, cost effective, and align with the direction a community or county has determined is its best governance model. Example approaches follow.

Objective	Best Approach(es)	Deficit Approach(es)
Give options to utilize homes as short-term rentals	Adopting a formal annual permitting requirement and a process for revoking permits from “trouble properties”.	Establishing unclear rules to comply with and unclear defined criteria for non-compliance and enforcement action.
Ensure there are provisions so that pseudo hotels do not occur while still providing options for homeowners to generate extra income as a short-term rental	Adopting a formal permit process requiring residency verification, much like schools do.	Not stipulating residency requirements clearly in the permitting process
Ensure homes are not turned into “party houses”	Adopting a formal permit requiring limitations based on fire code. Require that this be included on agreements and booking platforms. While not bullet proof, it may deter abuse.	Not stipulating what types of uses are disallowed will be ineffective and likely result in misinterpretation and/or abuse.
Minimize potential parking problems for the neighbors of short-term rental properties	Adopting a formal permit requiring limitations based on fire code. Require that this be included on agreements and booking platforms.	Not stipulating what types of uses are disallowed will be ineffective and likely result in misinterpretation and/or abuse.
Minimize public safety risks and possible noise and trash problems	Adopting a formal permit process requiring <ul style="list-style-type: none"> • All property owners must provide the customer with a copy of local ordinances, or • Require the property owner to identify an emergency contact that will be responsible for taking immediate corrective action, or • establish a 24/7 hotline 	Not stipulating what is required or disallowed will be ineffective and likely result in misinterpretation and/or abuse.

	to allow neighbors and other citizens to easily report non-emergency issues	
Ensure that no long-term rental properties are converted to short-term rentals to the detriment of long-term renters in the community	Adopting a residency requirement for permit holders to mitigate absentee landlords from converting long-term rental properties into short-term rentals.	Not stipulating residency requirements clearly in the permitting process
Ensure that residential neighborhoods are not inadvertently turned into tourist areas to the detriment of permanent residents	Setting specific quotas and/or including in, or adopting, permanent residency requirements for permit holders	Adopting a complete ban on short-term rentals, unless such a ban is heavily enforced.
Ensure the physical safety of short-term renters	Adopting a safety inspection requirement as part of the permit approval process that outlines minimum levels.	Adopting a complete ban on short-term rentals, unless such a ban is heavily enforced.
Ensure any regulation of short-term rentals does not negatively affect property values or create other unexpected negative long-term side-effects	Adopting regulation that automatically expires after a certain amount of time (i.e. 2–5 years) to ensure that the rules and processes that are adopted now are evaluated as the market and technology evolves over time.	Adopting regulation that does not contain a catalyst for evaluating its effectiveness and side-effects down the line.

Monitoring, Compliance & Enforcement:

Many New Mexico communities are utilizing third party resources for tracking short-term/vacation rental activity. These services help municipalities understand the scale and scope of the impact of short-term rentals in their community to enact regulations that minimize noise, trash, parking and traffic problems, as well as the negative impacts on housing affordability and neighborhood character.

It is imperative to know the limitations of public data that can be used to monitor and enforce, as well as the resources that are available to aid in that collection of data or information. Once ordinances are updated and adopted, these companies can also help manage all of the registration, permitting, address identification, compliance monitoring, enforcement, outreach, tax collection and complaint processes.

Be aware that the online marketplace platforms have built-in functionality that specifically prevents information gathering — this is known as “permit sounding”. These platforms do not willingly or cooperatively offer the data necessary to enforce, and as a word of caution, some have refused to share and have sued cities for requesting detailed data. It is best to work with your community general counsel on the appropriate approach on these matters.

Monitoring -

- Expect to invest some level of staff time and/or other resources in compliance monitoring and enforcement.
- Manually monitoring 100's or 1000s of short-term rental properties within a specific jurisdiction is practically impossible without sophisticated databases as property listings are constantly added, changed or removed.
- Require short-term rental permit holders to maintain books and records for a minimum of 3 years so that it is possible to obtain the information necessary to conduct inspections or audits as required.

Compliance -

- To implement any type of effective short-term rental best practices it's important to understand the technological needs and capacity needs to do this cost effectively.
- Rental property listings are spread across dozens (or hundreds) of different home sharing websites, with new sites popping up all the time (Airbnb and HomeAway are only a small portion of the total market).
- Address data is hidden from property listings making it time-consuming or impossible to identify the exact properties and owners based just on the information available on the home-sharing websites
- The listing websites most often disallow property owners from including permit data on their listings, making it impossible to quickly identify unpermitted properties.
- There is no manual way to find out how often individual properties are rented and for how much, and it is therefore very difficult to precisely calculate the amount of taxes owed by an individual property owner.

Enforcement -

Adopt fine structures that adequately incentivize short-term landlords to comply with the adopted regulation. Ideally the fines should be proportionate to the economic gains that potential violators can realize from breaking the rules, and fines should be ratcheted up for repeat violators.

Fine Structure Considerations:

1. Any violation enforcement costs can be constructed to reimburse the local government and other participating agencies their full investigative costs, pay all back-owed taxes, and remit all illegally obtained short-term rental revenue proceeds to the local government
2. Any unpaid fine will be subject to interest from the date on which the fine became due and payable to the local government until the date of payment.
3. The fine schedule is in addition to, and not in lieu of, all other legal remedies, criminal or civil, which may be pursued.

Draft a Roadmap:

Once the community or county has identified and addressed any outstanding current issues and the economic considerations of the current state of affairs regarding short-term Rentals, that information can assist in the development of the roadmap — with the end goal of this information contributing to the development of a final ordinance. Apply these questions to the roadmap development.

1. How will properties be identified and tracked (internal process or third-party service)?
2. Does a Voluntary Collection Agreement work for the municipality?
3. Application Process – What Department(s) Oversee(s)?
4. Fee Structure
5. Inspection Fees
6. Structural/General Safety
7. Fire
8. Neighborhood Impact (parking, traffic, noise, density, etc.)
9. Registration Fees (one time or annual?)
10. Affordable Housing Fees
11. Penalty/Fees for Non-compliance
12. How will properties be notified of ordinance requirements?
13. What department(s) will be responsible for monitoring/enforcement?
14. How will penalties for non-compliance be assessed/enforced?
15. How often will the ordinance policies/systems be assessed and re-evaluated?

Next Steps:

Once the Short-term Rental Roadmap is complete, it will serve as the outline for the development of your Short-term Rental Ordinance or Resolution.

To present your Ordinance or Resolution for adoption, follow the steps outlined on page 7, in the section titled GOVERNANCE & ADMINISTRATION OF FUNDS.

Follow the steps indicated for Ordinance or Resolution adoption according to your local governing body's policies regarding posting and publication.

Once the Ordinance or Resolution is adopted, Lodgers' Tax collection now applies; therefore, the compliance, enforcement and administration of Lodger's Tax follows the steps outlined in [Sections 2\(c\) through 2\(e\) in the handbook.](#)

This section can serve as a stand-alone mini handbook specifically for the short-term rental platform, and will include all the resources and sample documents from the Resource Appendix, in the digital form.

Short-term Rental Resources:

Statute:

In 2019, SB 106 was passed, removing the 3-room exemption and making it easier for communities to track short-term/vacation rentals and collect applicable taxes <https://legiscan.com/NM/text/SB106/2019>.

Examples of recently updated ordinances for reference:

<https://www.cabq.gov/dfa/treasury/taxes-and-fees/lodgers-tax-ordinance>

https://www.santafenm.gov/documents_forms

<https://www.taosgov.com/427/Short-Term-Rentals>

Helpful Hints for Updating Lodgers' Tax Policies (provided by the City of Albuquerque):

www.newmexicohospitality.org

Update ordinances regarding tracking and reporting for short-term/vacation rentals:

<https://www.taosgov.com/427/Short-Term-Rentals>

https://www.santafenm.gov/documents_forms

Third Party resources for tracking short-term/vacation rental activity:

These services can help manage all of the registration, permitting, address identification, compliance monitoring, enforcement, outreach, tax collection and complaint processes.

<https://hostcompliance.com/> (Currently used by Taos)

<https://www.harmari.com/> (Currently used by Santa Fe)

*No party, entity, or agency associated with this handbook endorses any particular software service.

Descriptions & Definitions

Descriptions & Definitions:

Advertising

Advertising is a one-way communication whose purpose is to inform potential customers about products and services and how to obtain them.

Day Trips

For the purpose of tourism, the term Day Trip refers to a person traveling from their residence with a plan to return to their residence within the same day. This may include a family from Los Alamos who are traveling to Rio Rancho for their son's soccer tournament. Another example is a group of NMSU students traveling to Elephant Butte to spend the day boating on the lake. During winter, a common day trip is heading to the mountains for a day of skiing. These examples show the importance of in-state travel, but Day Trips also come from our neighboring states and Mexico.

Economic Impact

The effect that an event, policy change, or market trend will have on economic factors such as tax revenue, consumer confidence, or unemployment.

Marketable Overnight Trips

Marketable Overnight Trips are defined as travel that is influenced by marketing efforts and do not include visitors whose main purpose in taking a trip is to visit friends and family or for business trips, and the visitor stays overnight. This is a desirable type of tourist because, as research commissioned by New Mexico Tourism Department shows, out-of-state visitors spend much more per person and bring new money into the state.

Marketing

The activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

Online Travel Agency (OTA)

Online companies whose websites allow consumers to book various travel related services directly via Internet. They are 3rd party agents reselling trips, hotels, cars, flights, vacation packages etc. provided or organized by others.

Promotion

Promotion involves disseminating information about a product, product line, brand, or company. It is designed to raise customer awareness of a product or brand, generating sales, and creating brand loyalty.

Publicizing

Publicity (publicizing) is to make something widely known – give out publicity about (a product, person, or company) for advertising or promotional purposes.

Return on Investment

A performance measure used to evaluate the efficiency of an investment or compare the efficiency, or revenue generated, of a number of different investments. ROI tries to directly measure the amount of return on a particular investment, relative to the investment's cost.

Shared Economy

An economic model defined as a peer-to-peer (P2P) based activity of acquiring, providing, or *sharing* access to goods and services that is often facilitated by a community-based on-line platform.

Short-Term Rental

A short-term vacation rental (also called a vacation rental or STR) is most often defined as a rental of a residential dwelling unit or accessory building for periods of less than 31 consecutive days. In some communities, short-term rental housing may be referred to as vacation rentals, transient rentals, short-term vacation rentals or resort dwelling units.

Tourist-Related Attractions, Facilities and Events

A tourist attraction, facility or event is a place of interest where tourists visit, typically for its inherent or an exhibited natural or cultural value, historical significance, natural or built beauty, offering leisure and amusement. The most important characteristic of a tourist attraction, facility or event is that it is “consumed” at the destination, rather than at the tourist’s home. This means that in order to consume the product, the client must first travel to it.

Voluntary Collection Agreement

An agreement between a company like Short-term rental platforms and a state or local government that pertains to the collection of lodging taxes.

Resource Appendix



Lodgers' Tax Resource Appendix:

Where to report Lodgers' Tax:

Report Lodgers' Tax - http://www.nmdfa.state.nm.us/Financial_Distribution.aspx

Use of Lodgers' Tax:

<https://law.justia.com/codes/new-mexico/2018/chapter-3/article-38/section-3-38-15/>

Recent Lodgers' Tax Legislation:

New Mexico Senate Bill 106: <https://legiscan.com/NM/text/SB106/2019>.

New Mexico House Bill 117: <https://legiscan.com/NM/text/HB117/2020>

Examples of Updated Lodgers' Tax Ordinances and Policies:

<https://www.cabq.gov/dfa/treasury/taxes-and-fees/lodgers-tax-ordinance>

https://www.santafenm.gov/documents_forms

<https://www.taosgov.com/427/Short-Term-Rentals>

Sample of Lodger's Tax Reports/Event Applications:

<https://roswell-nm.gov/DocumentCenter/View/7340/Nov-2019-Lodgers-Tax-Report>

https://roswell-nm.gov/AgendaCenter/ViewFile/Minutes/_08202019-1621

<https://roswell-nm.gov/1030/Lodgers-TaxSpecial-Events>

<https://www.gallupnm.gov/DocumentCenter/View/3269/Lodgers-Tax-FY-20--REFILLABLE-PDF>

Lodgers' Tax Advisory Boards:

http://www.townofsilvercity.org/r/legal_notes/Ord%201213%20%20Lodgers%20Tax%20Advisory%20Board.pdf

<https://www.nmag.gov/uploads/files/Publications/ComplianceGuides/Open%20Meetings%20Act%20Compliance%20Guide%202015.pdf>

Third Party Short-Term Rental Monitoring Resources:

<https://hostcompliance.com/> (Used by Taos)

<https://www.harmari.com/> (Used by Santa Fe)

Partner Resources:

New Mexico Municipal League: <https://nmml.org/>

New Mexico Association of Counties: <https://www.nmcounties.org/>

Regional Marketing Boards: <https://www.newmexico.org/industry/work-together/partnership-opportunities/regionalmarketing-boards/>

New Mexico Taxation & Revenue: <http://www.tax.newmexico.gov/>

New Mexico Tourism Department: <https://newmexico.org>

General Resources & Information:

HOSPITALITY FEE – Albuquerque (3-38A-1 through 3-38A-12 - <https://law.justia.com/codes/newmexico/2013/chapter-3/article-38a/>)

CONVENTION CENTER FINANCING ACT – Las Cruces, Farmington, Roswell, Truth or Consequences (3-38A-1 through 3-38A12 - <https://law.justia.com/codes/new-mexico/2013/chapter-3/article-38a/>)

CONFERENCE & CONVENTION CENTER FINANCING ACT – Santa Fe (5-14-1 through 5-14-15 - https://law.justia.com/codes/new-mexico/2006/nmrc/jd_5-14-1-3b45.html)

TAX INCREMENT DEVELOPMENT DISTRICTS (TIDD) – Mechanisms to support economic development and job creation by providing gross receipts tax financing and property tax financing for public infrastructure (Sections 5-15-2 NMSA 1978 - https://law.justia.com/codes/new-mexico/2006/nmrc/jd_5-15-2-3b85.html)

Hotel Valuation Services Report: <https://www.hvs.com/article/8607-2019-hvs-lodging-tax-report-usa>),

New Mexico Hospitality Association Resources:

2019 Short-Term Rental Impact Report

2020 Lodgers' Tax Policy Survey Summary

Helpful Hints for Updating Lodgers' Tax Policies (provided by the City of Albuquerque)

New Mexico Main Street Lodgers' Tax Report (2016)

US Travel Association

www.newmexicohospitality.org



New Mexico Hospitality
Association is the state's
No.1 Resource
for travel, tourism and
lodging stakeholders.



NEW MEXICO HOSPITALITY ASSOCIATION

New Mexico Hospitality Association is the state's number one resource for travel, tourism and lodging stakeholders. It is a privately funded nonprofit that is focused on serving its members and all segments of the hospitality industry through three distinct functions.

First, the association unites the industry to influence public policy. The association takes positions and advocates for legislation and policy that align with five core principles: build the tourism industry, promote the tourism industry, foster a business-friendly environment for tourism, increase opportunities for tourism development, and preserve tourism resources and funding mechanisms. As Lodgers' Tax is a critical funding mechanism for the industry, the association took the leadership role in the development of the Lodgers' Tax Best Practices Handbook.

Second, the association creates and administers educational programming to further develop the industry's workforce. This includes two statewide annual conferences, a pilot apprentice program designed specifically for the hospitality industry, and a student scholarship program. The Lodgers' Tax Best Practices Handbook provides another educational resource that will be integrated into the association's overall educational programming to ensure the workforce has access.

Thirdly, New Mexico Hospitality Association provides platforms of collaboration to tackle and solve various challenges. The Lodgers' Tax Best Practices Handbook is an example of that collaborative system. The association identified the need for a manual and convened a group of tourism leaders to develop a comprehensive solution. Through the spirit of collaboration, the association is able to provide another resource to the industry.

The association delivers decades of combined experience to lead public policy and workforce development strategy for a more prosperous economy. The association represents member interests at the state and national level, cultivates professional development, and targets opportunity to incubate and foster long-term job and wealth creation statewide. The association's members are true investors and are playing a crucial role in growing tourism and New Mexico's economy.



Thanks

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The New Mexico Tourism Department



County of Los Alamos

Staff Report

November 17, 2020

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: 1.

Index (Council Goals):

Presenters: Lodgers' Tax Advisory Board

Legislative File: 13561-20

Title

Sunny505 Marketing Reports

Attachments

A - Nov Sunny505 Overview Report

B - Nov Sunny505 Report



November LTAB Report Overview (Stats and Reporting as of November 6, 2020)

Social Media

Beginning in October, we resumed paid ads to the page with a New Mexico only audience. We saw increases in every metric this month, adding 349 new page likes and 350 new followers. Content reached 16,636 users, garnering 1,340 engagements. We have also created a Visit Los Alamos Instagram page in late October.

For October/November, top posts included:
Fall photography
Los Alamos History Museum
Halloweekend

Public Relations

In October, Sunny505 wrote and distributed a news release on the History Museum, garnering 48 news stories with a reach of 87,648,492.

Sunny505 has distributed a news release on MPNHP fifth anniversary news virtual events. We received coverage in two different news stories from KRQE, as well as the Los Alamos Daily Post. Pitches are ongoing, and we are in the process of coordinating a virtual media tour.

Other

We are putting together an ad for the Santa Fe Visitors Guide.



October-November 2020 Activity Report

Earned Media

Public Relations

News Headline	Outlet Name	News Circulation		News Ad Value	PR Value	Date
		Audience				
Santa Fe, Taos resorts put ski passes up for sale	Santa Fe New Mexican	444,933		\$4,126.75	\$41,267.54	10-Oct
Local Hiker Coco Rae Authors Trail Guide To Valles Caldera National Preserve	Los Alamos Reporter					17-Oct
Travel Virtually With LANL Physicist Martin Cooper Friday	Los Alamos Daily Post	40,422		\$374.91	\$3,749.14	20-Oct
Free Registration For Los Alamos Halloweenweek Drive In	Los Alamos Reporter					23-Oct
Los Alamos Arts Council Adds To Halloweenweek 2020 Fun With Several Pumpkin Carving Events	Los Alamos Daily Post	40,422		\$374.91	\$3,749.14	26-Oct
Fifth Anniversary Of Manhattan Project National Historical Park Offers Special Events And Programs In Nov	Los Alamos Reporter					27-Oct
County: Five-year Anniversary For Manhattan Project National Historical Park Offers Special Events In Nov	Los Alamos Daily Post	40,422		\$374.91	\$3,749.14	27-Oct
Pajarito Mountain Glows With October Snow Tuesday Afternoon	Los Alamos Reporter					27-Oct
Halloweenweek Events Lined Up For Thursday	Los Alamos Reporter					28-Oct
Los Alamos Halloweenweek 2020 Runs Oct. 29-31	Los Alamos Daily Post	40,422		\$374.91	\$3,749.14	29-Oct
Los Alamos Halloweenweek Runs Oct. 29 Through Oct. 31	Los Alamos Reporter					29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Associated Press	20,971,391		\$194,509.65	\$1,945,096.52	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Acentral.com	3,621,850		\$33,592.66	\$335,926.59	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Benzinga	3,565,105		\$33,066.35	\$330,663.49	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Big Spring Herald	125,260		\$1,161.79	\$11,617.87	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Borger News Herald	182,551		\$1,693.16	\$16,931.61	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Camedia-FinancialContent	231		\$2.14	\$21.43	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Chronicle Journal	125,260		\$1,161.79	\$11,617.87	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Daily Herald	20,303		\$188.31	\$1,883.10	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Deer Park Tribune	125,260		\$1,161.79	\$11,617.87	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	EIN Presswire	124,628		\$1,155.92	\$11,559.25	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Fox 21 Delmarva	5,716		\$53.02	\$530.16	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	FOX 40 WICZ TV	85,314		\$791.29	\$7,912.87	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	GlobeNewswire	2,975,385		\$27,596.70	\$275,966.96	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Investornetwork	6,558		\$60.83	\$608.25	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Malvern Daily Record	4,000		\$37.10	\$371.00	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Mammoth Times	11,182		\$103.71	\$1,037.13	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Market Screener	1,368,500		\$12,692.84	\$126,928.38	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Markets - Ask	5,358		\$49.70	\$496.95	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Markets Insider - Business					
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Insider	5,804,059		\$53,832.65	\$538,326.47	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Minyanville	2,434		\$22.58	\$225.75	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Morning News	125,260		\$1,161.79	\$11,617.87	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Morningstar	2,402,265		\$22,281.01	\$222,810.08	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Newsok	95,451		\$885.31	\$8,853.08	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Observer Reporter	31,000		\$287.53	\$2,875.25	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Pittsburgh Post-Gazette	2,655,169		\$24,626.69	\$246,266.92	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Poteau Daily News	3,518		\$32.63	\$326.29	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Starkville Daily News	10,000		\$92.75	\$927.50	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Antlers American	1,012		\$9.39	\$93.86	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Buffalo News	1,269,449		\$11,774.14	\$117,741.39	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Community Post	294		\$2.73	\$27.27	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Daily Press	516,984		\$4,795.03	\$47,950.27	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Daily Times Leader	2,210		\$20.50	\$204.98	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Decatur Daily Democrat	4,885		\$45.31	\$453.08	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Evening Leader	298,481		\$2,768.41	\$27,684.11	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Inyo Register	2,927		\$27.15	\$271.48	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Kane Republican	643		\$5.96	\$59.64	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Newport Daily Express	3,947		\$36.61	\$366.08	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Observer News Enterprise	4,837		\$44.86	\$448.63	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Pilot News	9,128		\$84.66	\$846.62	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Post and Mail	115,960		\$1,075.53	\$10,755.29	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Punxsutawney Spirit	4,648		\$43.11	\$431.10	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Ridgway Record	7,917		\$73.43	\$734.30	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Saline Courier	42,907		\$397.96	\$3,979.62	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Statesman Examiner	3,600		\$33.39	\$333.90	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Sweetwater Reporter	182,551		\$1,693.16	\$16,931.61	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Valley City Times Record	2,464		\$22.85	\$228.54	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	The Wapakoneta Daily News	4,791		\$44.44	\$444.37	29-Oct
Los Alamos History Museum Provides Immersive Experience - Virtually and In-Person	Yahoo! Finance	40,715,849		\$377,639.50	\$3,776,394.99	29-Oct
Manhattan Project National Park virtually celebrates five years	KRQE	963,612		\$8,937.50	\$89,375.01	5-Nov
Los Alamos Celebrates Five-Year Anniversary Of Manhattan Project National Historical Park With Virtual Events	Los Alamos Daily Post	40,422		\$374.91	\$3,749.14	5-Nov
What's happening around New Mexico Nov 6 – Nov 12	KRQE	963,612		\$8,937.50	\$89,375.01	6-Nov
Totals		90,222,759		\$836,816.09	\$8,368,160.90	

*News Circulation Audience and News Ad Value is generated through Meltwater and SimilarWeb

*PR Value is determined by multiplying the News Ad Value by 10, this a public relations industry standard (which takes into account third party opinion values and strategic messaging).

*Note - In this report, we have compiled tourism-related mentions featuring Los Alamos and surrounding attractions that are likely to draw in visitors. From a tourism standpoint, not all local news may be included. Additionally, we send and pitch at least one news release per month. While we get the news releases to outlets and reporters whose interests are in line with the subject matter and follow up with pitch calls to ensure they have received the release, as well as to pitch them on featuring Los Alamos, it is at the discretion of news rooms and news directors to determine which stories are picked up and placed in the news.

Social Media

Facebook

New Likes	Total Likes	Monthly Reach	Monthly Page Views	Monthly Engagemen	Followers
349	11,300	16,636	229	1,340	11,478

Likes: The number of new people who have liked your page in any given month.

Reach: The number of people who saw any of your Page posts.

Page Views: The number of times a Page's profile has been viewed by logged in and logged out people.

Monthly Engagements: The number of times people have engaged with your posts through likes, comments and shares.

Followers: The number of people who follow the page and receive updates in their newsfeed.

Los Alamos Co. Lodgers' Tax Revenue --Accrual Basis • 4 of 6 Collected for Sep 2020* • Reported to LAC Oct 2020 Presented in to LTAB Nov 17 2020

Mo. Collected↓ FY20		Actuals	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12	FY11	FY10	FY09	FY08
JUL	Jun	\$17,945	\$21,056	\$25,139	31,611	28,567	41,407	24,113	25,751	23,185	22,483	32,434	31,472	27,221	23,293	23,258
AUG	Jul	\$15,146	\$15,145	\$29,452	32,125	27,958	32,560	10,351	26,466	23,457	24,323	33,080	33,850	31,731	27,864	26,218
SEP	Aug	\$14,381	\$14,381	\$46,353	34,683	29,623	27,135	31,486	25,004	25,898	24,108	24,988	35,167	30,692	29,590	27,112
OCT	Sep	\$17,211	\$17,211	\$8,220	31,559	27,185	27,560	35,631	23,945	19,896	16,934	23,943	25,553	25,512	24,245	20,262
NOV	Oct			\$56,184	29,619	25,468	12,360	8,433	10,413	16,577	15,660	19,187	22,707	23,533	22,465	21,064
DEC	Nov			\$18,494	26,270	19,439	23,383	31,602	23,908	12,470	14,688	16,980	19,042	20,852	20,049	12,120
JAN	Dec			\$33,140	23,937	18,413	20,529	16,345	15,255	13,263	13,599	15,126	16,837	21,876	17,316	11,378
FEB	Jan			\$23,299	16,524	17,912	12,883	15,902	6,882	12,079	11,705	15,740	13,871	17,734	17,940	20,661
MAR	Feb			\$21,410	30,467	20,146	21,127	17,934	16,051	11,494	12,071	16,562	13,557	20,597	19,644	10,873
APR	Mar			\$18,733	15,973	27,355	11,581	14,809	13,514	13,237	14,266	12,921	18,142	21,736	19,072	17,381
MAY	Apr			\$5,213	29,635	25,972	30,421	18,709	25,713	15,143	14,790	18,097	19,538	20,915	21,864	22,636
JUN	May			\$9,727	40,858	29,610	23,974	28,667	26,945	19,570	17,924	22,483	22,887	25,754	24,248	22,181
TOTAL	FY20	\$64,683	\$67,793	\$295,365	343,261	297,647	284,920	253,981	239,847	206,270	202,552	251,542	272,623	288,152	267,589	235,144

FY20ytd -38%

-41%

\$109,164

-14%

15%

4%

12%

6%

16%

2%

-19%

-8%

-5%

8%

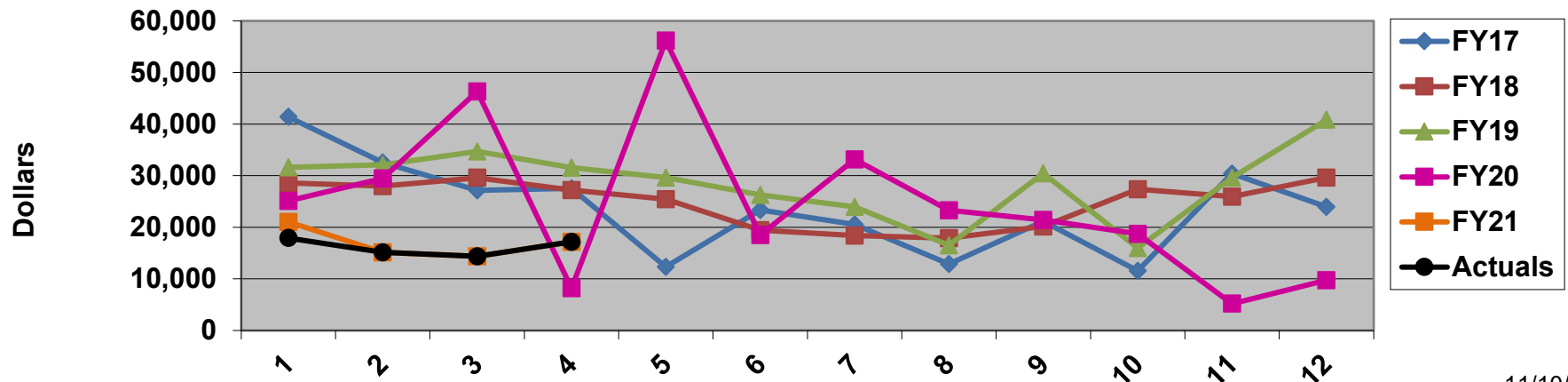
14%

*Missing payments from 2 lodging establishments

NOTE: Due to COVID-19 and NM State Public Health Order, Hotels are required to operate at 50% occupancy for visitors and up to 50% occupancy for essential workers.

Lodging Establishment	# Rooms	Suites	Totals
Canyon Inn	4	0	4
Comfort Inn & Suites	55	17	72
Hampton Inn & Suites	73	0	73
Holiday Inn Express & Suites	86	18	104
North Road Inn	10	0	10
Pueblo Canyon Inn	6	2	8
TOTAL RMS:			271

Los Alamos County Lodgers' Tax Revenue



11/10/2020