

Advertising and Promotions Commission Meeting  
June 22, 2022  
3:00 PM

Call Meeting to Order:

The Advertising and Promotions Commission met for their monthly meeting Wednesday, June 22, 2022. Marina Brooks called the meeting to order. Commission members present: Marina Brooks, April Broderick, Danny Gililand, Josh Woodard and Nita Pilkington. Absent: Faith Cavin and Jeff Herald. Also, in attendance: Darren Austin, Blake Calloway, Angela Nicholson, Jamie Fuell, Josh Alexander, Shelby Schmittou and Dianna Price.

Minutes:

May 4, 2022 minutes were read for approval. The motion was made by April Broderick to approve the May 4<sup>th</sup> minutes. The motion was seconded by Josh Woodard. The motion was unanimously approved by Marina Brooks, April Broderick, Danny Gililand, Josh Woodard and Nita Pilkington.

Marina signed a copy of the approved minutes.

Trail of Lights:

Darren said there was nothing to report at this time.

City Events:

Jamie Fuell said July 4<sup>th</sup> will be next Saturday, July 2<sup>nd</sup> at Sherwood Forest. She has seven confirmed vendors and waiting on paper on two vendors that are late entries. She will be on site next week to make sure everything is good to go. She's working on a map for the layout. We have plenty water for the event.

Jamie said she is working on Sherwood Fest and has talked to the airmen at the air force base and they will help volunteer. She has fifteen vendors so far. The entertainment application is up on the website as well as the vendor application. Marina said on the entertainment, Jamie is looking for bands. Jamie said she has several dance groups that has applied and she is needing more musicians.

Marina said at the last meeting we had a letter for campaigning since this is an election year. We haven't really had any problems in the past. One of the rules is you cannot have a certain size sign in the back of a pickup truck. Marina had a question for Angela Nicholson, the letter sent out is the one that has been sent for years. Things have changed and people now wrap their vehicles. Will this be allowed? Angela was not sure, Marina asked her to get with Steve Cobb on this. Darren said what if a candidate has one vehicle wrapped and that is their daily drive. Danny Gililand said his car is wrapped with Popeyes, he said he knew it wasn't political, but he just parks in the parking lot like everyone else. He didn't see a problem with a wrapped car. Marina said the way things are marked off there is no room to drive around.

Project Update:

Marina said the commissioners have a Projects Update form in their packet and this helps keep track of the monies allocated.

Soccer – Darren said construction is ongoing. The fences have been removed. We're making progress. They expect by late next week you'll be able to see some massive changes if the weather stays dry. Marina asked when the next soccer season was. Darren said August. She asked if he was confident it would be ready in August. He said he was confident they could play on the original portion of the field.

Greens Parking Lot – Darren said Halff still working on the design. He hasn't received anything since the last meeting. Marina asked Darren to call and check with them

Trail of Lights Building Expansion – Darren said we have all the materials; we just need to start on it.

Old business:

Airbnb –

Marina said Steve Cobb was unable to attend today. She introduced Shelby Schmittou the new city planner. Marina said we had talked about this last month and it was brought up at the last council meeting and we have a council member that is adamant to pursue Airbnb. Marina said it's not fair to the hotel we have and the one being built. These people are escaping paying taxes. Shelby said Steve Cobb had received an ordinance from Hot Springs. This is where Steve is deriving the codes from. Implementing something like this will take up a lot of staff time trying to derive where these Airbnb and short-term rentals are located. Shelby said she and Josh Alexander have opposing views. She is regulatory and Josh wants to benefit from it.

Josh said to say Airbnb's are escaping taxes is misleading, they are currently escaping paying taxes because we are allowing them to. Airbnb has a mechanism in place for the municipality to call them and request that the tax be added on, otherwise the Airbnb host is supposed to be paying their own taxes to the locality. In our case the A&P tax should be added on to their bill. They already pay the state of Arkansas sales tax and a 2% tourism tax gets added automatically. The state of Arkansas had done their part with the Airbnb. Other cities as well as Hot Springs takes 4% added to the total bill. There is a mechanism in place for Airbnb to collect this revenue. However, he cautions if we go after this before we have a plan in place on how we are going to deal with them we might be inadvertently indorsing that behavior. He doesn't want to go after the tax money until we have some type of policy that governs that.

Shelby said this is more of a guidance document. Marina said they might have a city council workshop and discuss this.

Marina asked the commissioners what they thought. Josh Woodard said he doesn't like Airbnb's he sees too much of the pessimistic side of it, but you must be forward thinking and it's here to stay and will continue to grow. The point that Josh Alexander is making is substantial, but you must have some teeth to it to regulate and enforce it with law enforcement if things get out of hand.

April Broderick said she's not opposed to it, but she doesn't see it benefiting Sherwood. It would cost the city taxpayers more money than what we would gain in paying staff to regulate and enforce it. If you are going to have these rules you better enforce it. It's not encouraged, we know it's happening, we're not getting A&P tax from it, but they are eating in our restaurants and they are buying gas at our gas stations. Sherwood is still benefiting from it. From an A&P perspective we are benefiting from the people. It's not prevalent enough that it is financially a good idea. People that stay in an Airbnb are not trying to avoid the tax from a hotel, there is a reason they are staying in an Airbnb. If we regulate it and have the tax, they are not going to avoid it they will go to North Little Rock instead of staying in our Sherwood Hotel. She doesn't think it has anything to do with the taxes. Regulating it with the tax or not April doesn't think we are impacting the hotel.

Nita Pilkington asked how many Airbnb's were in Sherwood. Marina said Josh says there's five. Marina said she was at the city clerk's office a couple of weeks ago and they found nine.

Danny Gililand said he's used an Airbnb once. He has a friend that lives out in the county. He built four apartments on the back of his property to use as rentals but by the time they were completed the Airbnb was a big thing and he's been using them as Airbnb's. Mostly he gets traveling nurses that will stay two to three months at a time. Danny said he's not against it or for it. Danny agrees with April that this will

not hurt our hotel business. The people that are doing this are doing it for a reason. They don't want to stay in a hotel for two or three months. Danny said if we are going to do this, we need to get it together. He doesn't know how we are doing this, but we need to find out if this is going to be worth the money that's it going to cost the city or the taxpayers to regulate it and enforce it and if we are going to get enough off revenue to offset these expenses. Or do we let a sleeping dog lay.

Nita Pilkington said if it's not a major issue of people calling in wild parties every other night and if the cost is more than what we would gain. Marina said she is seeing as a commission, we don't want to be involved in the Airbnb part of it. Marina said this should probably go to the council. It was brought to the commission because of the tax. Marina told Shelby they will probably be doing a workshop on this matter.

#### New Business:

##### Air Force Ball Sponsorship --

Marina said for the last ten to fifteen years we have sponsored something at the air base every year, such as the air show and air force balls. Since Covid they have not had anything major at the base. We have been asked to be a sponsor as we have in the past. We usually sponsor the \$2,500 level. Marina let the commissioners look over the sponsorships for discussion. April said the airmen come to our city and eat at our restaurants. Josh Alexander is ex-military and he said when the ball is fully funded it is the highlight of the year. The people that attend the ball are the ones making a career out of it. The ball is really nice for the people to have a formal affair. April Broderick said this is something the A&P Commission could be proud of sponsoring. She would like the commission to do a higher sponsorship if we have the money in our budget. A&P receives a return from our investment because the men and women are eating in our restaurants. Danny Gililand suggested we do the \$5,000 sponsorship. Danny Gililand made the motion to do the \$5,000 VIP Sponsorship for the Air Force Ball. April Broderick seconded the motion. The motion was unanimously approved by Marina Brooks, April Broderick, Danny Gililand, Josh Woodard and Nita Pilkington.

##### Retail Attractions --

Marina said our previous economic developer worked with Retail Strategies and they were not a good fit for us. We canceled the contract and Josh has been talking to someone with Retail Attractions. Before we start talking money, this year the money we're going to spend will not come out of any other of the A&P budget except out of the economic development portion. There is \$40,000 allocated in that account. Will would be paying a monthly fee the rest of this year.

Josh Alexander said the difference between Retail Attractions and Retail Strategies is that Retail Strategies is a large company and they give you a case manager. The case manager provides you a lot of data. They do rep you and they also rep 300 to 400 other communities as well.

Retail Attractions is a much smaller company with an operation of only three to four people. Ricky Haze is the rep and has been in the industry for over forty years. He has the contacts and the ability to have a relationship with you and work one on one. They have asked us to give them two years before we deem them a success or a failure. Cabot has been with them a year and they have had three ground breakings. April Broderick asked if this was conflict representing Cabot. Josh said no, we are geographically separated enough from Cabot. Retail Strategies was representing North Little Rock, Sherwood and Maumelle and servicing none of them. Josh Alexander said Papa John's is coming to Gravel Ridge. Papa John's will deliver to most of Sherwood including the Air Force Base. This will bring in a lot of revenue to our city.

#### Announcements:

Marina reminded the commissioners there will not be a July meeting.

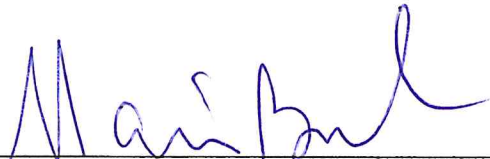
Darren Austin said we had a soft opening for disc golf, located at Sherwood Forest. It opened last weekend and had 140 players Saturday. You will turn off Maryland and take the new parking lot (splashpad parking lot) on the left, go all the way toward Maryland and you'll see the t-box.

With no other business everyone was excused so the commissioners could go over the financials.

Financials:

Marina asked for a motion to approve the financials. Nita Pilkington made the motion to approve the financials. Josh Woodard seconded the motion. The motion was unanimously approved by Marina Brooks, April Broderick, Danny Gililand, Josh Woodard and Nita Pilkington.

With no further business, Nita Pilkington made the motion to adjourn.



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Marina Brooks

Attest: Dianna L. Price