



**TRANSIENT LODGING TAX AD HOC COMMITTEE
MARKETING SUBCOMMITTEE AGENDA
DECEMBER 18, 2017, 8:30 AM
CHEHALEM VALLEY CHAMBER OF COMMERCE
2119 Portland Road**

- I. CALL MEETING TO ORDER**
- II. ROLL CALL**
- III. APPROVAL OF OCTOBER 16 AND NOVEMBER 20, 2017 MINUTES**
- IV. TOURISM MARKETING ACTIVITIES – SUBCOMMITTEE PROPOSAL**
- V. NEXT MARKETING SUBCOMMITTEE MEETING – January 15, 2018**
- VI. ADJOURNMENT**

ACCOMMODATION OF PHYSICAL IMPAIRMENTS: In order to accommodate persons with physical impairments, please notify the Office Assistant II of any special physical or language accommodations you may need as far in advance of the meeting as possible and no later than 48 business hours prior to the meeting. To request these arrangements, please contact the Office Assistant II at (503) 544-7788. For TTY services please dial 711.



**TRANSIENT LODGING TAX AD HOC COMMITTEE
MARKETING SUBCOMMITTEE
October 16, 2017 8:30 am
Newberg City Hall, Permit Center Conference Room
414 E First Street**

The meeting was called to order by Chair Ashley Lippard at 8:35 a.m.

ROLL CALL:

Members Present: Ashley Lippard, Chair Rob Felton, Vice Chair
Sheila Nicholas Jessica Bagley
Sheryl Kelsh Lori Louis
Loni Parish

Members Absent: Kyle Lattimer, Dennis Lewis (excused)

Staff Present: Doug Rux, Community Development Director

Guests: Carr Biggerstaff, Teri Council, Bob Andrews, Joe Hannan

APPROVAL OF MINUTES

Approval of the August 14 and September 18, 2017 Transient Lodging Tax Ad Hoc Marketing Subcommittee meeting minutes.

MOTION: Kelsh/Louis to approve the Transient Lodging Tax Ad Hoc Marketing Subcommittee minutes for August 14 and September 18, 2017.
Motion carried (7 Yes/0 No/0 abstain).

**CHEHALEM VALLEY CHAMBER OF COMMERCE PRESENTATION ON TOURISM
MARKETING ACTIVITIES**

Member Kelsh explained the history of the Transient Lodging Tax (TLT) in Newberg and the new State law from 2003 on the split of funds and how funds are to be spent (70% Tourism/30% General Fund). She shared that in 2005 the Chamber had a contract with the City to run the visitor center. In 2006 Yamhill Valley Visitor Association formed as unfunded Destination Marketing Organization. Market Yamhill County.

Member Lippard inquired if there is data on how tourism has grown.

Member Kelsh noted there is data that looks at spending and the information is on the Travel Oregon website. The Chamber has a relationship with Travel Oregon and had developed other relationships. Developed relationships for Destination marketing. She noted the first City Contract was for \$18,000 when the Chamber was located at the Cultural Center. The Chamber then moved to the College Street facility. Negotiated a



percentage on city contract. Opened the Oregon Wine Education Center, more advertising and tourism promotion. At the end of the first contract re-negotiated, it now has a cap and COLA increase. The Chamber does the Visitor Center and Tourism Promotion. Visit McMinnville opened their program two years ago. AVAs have also been marketing.

Member Kelsh handed out information that covers the past three years of marketing expenses.

Member Parrish asked if there have been staff increases.

Member Kelsh noted there has been a .5 FTE increase.

Member Kelsh indicated the lodging tax was increased to 9%. The fiscal year is July 1 to June 30. She reviewed the marketing expenses. \$40,000 – \$45,000 for marketing does not go far. The data documents do not include donations related to tourism. Cited Painted Lady contribution and the Allison donates through reduced rates for rooms which lowers the TLT revenue, like double dipping.

Member Louis noted the Allison's special media rates.

Member Lippard asked if TLT funds could be used to cover the reduced room rates for FAMs.

Member Parrish noted the website design does not have much spent on enhancements.

Member Kelsh indicated a person has been hired to work on the Chamber web and SEO.

Carr Biggerstaff noted that Google 6 takes ten months or so to get traction.

Member Parrish asked how Chamber staff is distributed for activities.

Carr Biggerstaff shared that the Chamber has three functions – Chamber membership activities, Visitor Center and Tourism and Destination Marketing.

Member Parrish inquired on the number of people visiting the Visitor Center and is a physical site necessary.

Carr Biggerstaff noted the Chamber staff is shared in responsibilities. Kelsh is full time, the two other staff members work 4 days week and 3 days week. The Visitor Center is open 7 days a week during season and 5 days a week during off season. At peak have 2.75 FTE working on tourism. At peak have full time FTE working on tourism that is shared amongst staff.

Joe Hannan asked if there is a breakdown on expenses for facility share and staff share.

Member Kelsh noted that information is in the quarterly report information. Chamber gives free time, she is exempt, works weekends and nights.

Member Kelsh shared that transportation and buildable land problems in issues in 2006 and difficult to recruit business. Tourism was growing and the Chamber made a conscious decision to focus on tourism.



Member Louis inquired if Webworks is a monthly fee. Member Kelsh indicated it is a monthly fee and they look a text and key words. People are not searching for Chehalem Valley and working through each web page to update and make changes.

Member Parrish inquired if the \$450 is only for tourism web.

Carr Biggerstaff noted the Chamber has other web domain names.

Member Nicholas asked about the percentage of TLT to Chamber.

CDD Rux noted roughly 10%, \$680,000 to the City General fund and \$139,000 to Chamber, the balance for grants and TLT program.

Member Kelsh shared a handout on media relations. FAM tours increased with the Willamette Valley designation as wine region of the year. She coordinates with Travel Oregon and partners, itineraries change.

Member Louis noted the Allison coordinates on some FAMs tied directly to the Allison.

Member Parrish noted it seemed time would be better spent not coordinating but doing tours for Kelsh.

Member Kelsh noted FAMs need to be personalized, people have dietary restrictions.

Member Parrish inquired how Brews and BBQ works.

Carr Biggerstaff shared that Brews & BBQ is a Chamber event with some regional tourism. Classify 33% of expenses as tourism.

Member Kelsh noted the Chamber is investing more in tourism than the City provides. Last year it was \$18,000.

Carr Biggerstaff provided numbers that 50% is overhead visitor Center, 40% goes to tourism (37%), FAMs have increased to a bi-monthly activity.

Member Parrish asked if there was no Visitor Center how would that effect the Chamber.

Carr Biggerstaff noted that Chamber would still have an office.

Member Kelsh noted people thought social media was the correct approach, but people still want hard copy handouts.

Member Louis noted there is so much information out there, people ask for guidance and where to go. We can help drive where people go to support local businesses.

Vice Chair Felton asked what is the count for visitors to the Visitor Center.

Member Kelsh noted over 10,000 in previous years. Reduction in FY 16/17. She noted only one sign to direct people to the Visitor Center. The Field Guide produces 19,000 copies annually and go through 19,000 a year.

Member Parrish asked if the Chamber was given more dollars to hire someone what would that look like.



Carr Biggerstaff noted the Chambers has \$37,000 and if it has more dollars it could hire someone to do tourism. The question is where does the person live? It could be at the Chamber.

Member Lippard noted the new person may not have the local knowledge.

Carr Biggerstaff noted the person could do more of the background work.

Member Parrish if the City could do an RFP and interview. If the Chamber did not have tourism what would happen?

Carr Biggerstaff noted the Chamber would still have the Visitor Center.

Member Parrish shared that she talked with McMinnville and they do not do grants.

Chair Lippard noted if the City took back the \$37,000 and added \$30,000 you would have \$67,000 to spend on hiring a person.

Carr Biggerstaff noted hours for tourism is taken from Sheryl, Pattie and Karla at the Chamber.

Member Parrish indicated it sounds like the Chamber is looking for more dollars.

Member Nicholas asked what is the Chambers recommendation.

Chair Lippard noted the Marketing Subcommittee is volunteers and reached a point that it needs a body to do tourism marketing.

Carr Biggerstaff indicated that a person could be co-located with the Chamber.

Joe Hannan noted that a marketing plan was the Subcommittee's task.

CDD Rux recapped the four models of independent organization, Chamber, City hire a staff person or City use existing staff. The City Council selected the using existing City staff.

Member Louis noted having someone dedicated to tourism would be huge.

Member Parrish asked the group if a tourism person should be hired.

Chair Lippard indicated over the next two months the Marketing Subcommittee needs to discuss the approach.

Joe Hannan noted the charge is to prepare a market plan.

Member Nicholas noted we need a job description.

Member Parrish asked if Member Kelsh hired someone what would you do.

Member Kelsh indicated she would create a plan, need someone to bridge now and the aspirational Tourism Strategy.



Chair Lippard noted we have future goals, a person would work with Subcommittee.

CDD Rux suggested a proposal to City Council in January, full TLT in December, Subcommittee in November.

Member Parrish asked the Subcommittee to look at the Chamber marketing plan. CDD Rux to resend the marketing plan to Subcommittee members.

Vice Chair Felton asked what is working and what is not. He would like to see the data.

Chair Lippard left at 9:50.

TOURISM MARKETING MATERIAL:

No discussion.

ADJOURNMENT: Vice Chair Felton adjourned the meeting at 9:53 a.m.

Approved by the Transient Lodging Tax Ad Hoc Committee Marketing Subcommittee this 18th day of December, 2017.

Ashley Lippard
TLT Ad Hoc Committee
Marketing Subcommittee Chair

Doug Rux, Community Development Director



**TRANSIENT LODGING TAX AD HOC COMMITTEE
MARKETING SUBCOMMITTEE
November 20, 2017 8:30 am
Chehalem Valley Chamber of Commerce
2119 Portland Road**

The meeting was called to order by Chair Ashley Lippard at 8:35 a.m.

ROLL CALL:

Members Present:	Ashley Lippard, Chair	Rob Felton, Vice Chair
	Sheila Nicholas	Jessica Bagley
	Sheryl Kelsh	Dennis Lewis

Members Absent: Kyle Lattimer (excused)

Staff Present: Doug Rux, Community Development Director

Guests: None

APPROVAL OF MINUTES

None.

**CONTINUED DISCUSSION ON CHEHELAM VALLEY CHAMBER OF COMMERCE
PRESENTATION ON TOURISM MARKETING ACTIVITIES**

The Subcommittee discussed and outlined three primary topic areas related to marketing activities. The first was the Marketing Subcommittee that it was a cheap option, members were knowledgeable and they had learned a lot over the past 10 months. Second was to hire a consultant with subsets of dollars on the ground and the investment was low. Third was to hire an employee to do marketing and develop a plan. They additionally discussed a marketing outline rather than a marketing plan.

The Subcommittee outlined that there is currently about \$14,000 to do marketing and that the Chehalem Valley Chamber of Commerce (Chamber) through its contract with the City of Newberg has \$37,000 for marketing. There was a general discussion that the cost for a person would be roughly \$60,000 and a need for marketing funds of approximately \$50,000.

Member Kelsh recapped her proposal from October and information in the November meeting packet to hire a person would be in the \$48,000 - \$60,000 range based on recent hires by other organizations. She has a job description drafted, there are people looking for this type of employment opportunity, that the person could be housed at the Chamber, the person could report to the Subcommittee and that day to day reporting would be to the Chamber Executive Director.



Member Lewis discussed the issue of procedure and the budget.

CDD Rux noted that with \$14,000 for marketing, \$37,000 from the Chamber marketing budget that to increase the available funds it would need to come from the grant program.

Chair Lippard inquired to the Subcommittee what do we focus on marketing or grants.

CDD Rux commented that if there is a proposal the Subcommittee would need to develop one and take it to the full TLT Committee in either December of 2017 or January 2018.

Member Lewis inquired if \$55,000 for a salary for a position was adequate.

Chair Lippard noted a total amount of \$137,000 for the Chamber contract. Chamber keep \$100,000 and give back \$37,000 for marketing purposes.

CDD Rux clarified that it is not actually giving back \$37,000. What is being discussed is adding additional funds to the Chamber contract to support a person and marketing activities that in total for the marketing program would be around \$120,000 and would include the existing \$37,000 the Chamber uses for marketing. He also clarified that have of the \$37,000 for this year has been spent.

Chair Lippard shared that \$30,000 for public relations and \$20,000 for web would be part of the approximately \$120,000 program cost.

Member Nicholas inquired if the person only works for Newberg or if they do things for Dundee. The focus should be Newberg and used an example of familiarization (FAM) tours.

Member Felton shared FAM's benefit Newberg if they visit Dundee, people eat in Newberg and stay in Newberg.

Member Bagley inquired if the Subcommittee needs to vote on their proposal.

Chair Lippard suggested that the proposal go to the TLT meeting on December 6, 2017 and if it is not resolved at that meeting it be continued to the January 2018 TLT Committee meeting. In summary the proposal is a total of \$120,000 (\$60,000 for salary, \$60,000 for marketing), use the job description as a template for the position description, and use dollars from the grant program to fill out the overall funding need.

CDD Rux asked who was going to prepare the proposal material to the TLT Committee. It was determined that Chair Lippard, Members Kelsh, Felton and Lewis would meet on November 27, 2017 at City Hall to discuss preparing the proposal and that CDD Rux would update the budget to reflect the Subcommittee's discussion for a marketing program.

TOURISM MARKETING MATERIAL:

No discussion.

ADJOURNMENT: Vice Chair Felton adjourned the meeting at 9:53 a.m.



Approved by the Transient Lodging Tax Ad Hoc Committee Marketing Subcommittee this 18th day of December, 2017.

Ashley Lippard
TLT Ad Hoc Committee
Marketing Subcommittee Chair

Doug Rux, Community Development Director

BUDGET TLT MARKETING SUBCOMMITTEE PROPOSAL

12/18/17

Revenue	FY 16/17	FY 17/18	FY 17/18 Supplemental Budget	FY 18/19 Projection	FY 19/20 Projection	FY 20/21 Projection	FY 20/21 Projection
Gross Operator Reciepts	11,994,410	12,220,625	12,220,625	12,587,244	12,964,861	13,353,807	13754421
Beginning Fund Balance	207,113	250,000	343,718	115,214	0	0	0
Tax Revenue -Restricted for Tourism	359,617	365,703	366,399	377,390	388,712	400,373	412,385
Tax Revenue City Services	665,905	679,160	678,465	698,819	719,748	741,377	763,618
Interest Revenue-Restricted for Tourism	897	897	897	897	897	897	
Interest Revenue- City Services	1,667	1,667	1,667	1,667	1,667	1,667	
Estimated Additional Funds							
Total	1,235,199	1,297,427	1,391,146	1,193,987	1,111,024	1,144,314	1,176,003
Expenses							
Transfers out General Fund	665,905	680,132	678,465	698,819	719,748	741,377	763,618
Visitor Center/Destination Marketing Contract	137,548	139,886	139,886				
Visitor Center Contract				105,901	109,078	112,350	115,721
Destination Marketing Contract				120,000	120,000	120,000	120,000
Unallocated Tourism Activity	431,746	477,409	572,795	269,267	162,198	170,587	176,664
Consultant							
Staff - Meetings, Travel, Networking		2,000	2,000	2,000	2,000	2,000	2,000
Tourism Marketing		14,787	109,622	0	0	0	0
Fundraising (Grant Match)		10,000	10,000	10,000	10,000	10,000	10,000
Subtotal		26,787	121,622	12,000	12,000	12,000	12,000
Tourist Related Facilities (Large Grant)	313,774	430,622	431,173	237,267	130,198	138,587	144,664
Small Grant Program (pilot program)	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Total	1,235,199	1,297,427	1,391,146	1,193,987	1,111,024	1,144,314	1,176,003
Ending Balance Restricted for Tourism		0	0	0	0	0	0

* The \$250,000 for the Tourist Related Facilities (Large Grant) originally budgeted will not be expended by June 2016 and becomes the Beginning Fund Balace for FY 17/18

Assumptions

Visitor Center Contract escalator of 1.7% annually (Actually tied to CPI-W)

26.5% of Visitor Center Contract for Marketing Services

73.5% of Visitor Center Contract for Visitor Center Operation

\$120,000 for Marketing Services (\$60,000 salary/\$60,000 implementation of marketing/FAMs/web/public relations)

\$120,000 for Marketing Services drawn from 26.5% of Visitor Center Contract and reduction of funding for Tourist Related Facilities