



RESOLUTION No. 2016-3255

A RESOLUTION AWARDING A CONTRACT TO LOOKOUT FOR THE DEVELOPMENT OF A TOURISM STRATEGY FOR THE CITY OF NEWBERG

RECITALS:

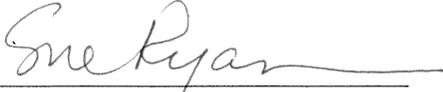
1. On February 1, 2016 staff solicited proposals, by informal letter, from three tourism/marketing consulting firms for the development of a tourism strategy for the City of Newberg.
2. On February 19, 2016 the City received proposals from Lookout and Total Destination Marketing.
3. On March 10, 2016 a subgroup of the Transient Lodging Tax Advisory Group conducted interviews and interviewed both firms.
4. Based on the interviews and background and experience of the firm the subgroup recommended that the City enter into a contract with Lookout for the development of a Tourism Strategy for the City of Newberg.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Council does hereby authorize the City Manager Pro Tem to enter into a Professional Services Contract with Lookout for the development of a tourism strategy for the City of Newberg. The contract and work plan is attached as Exhibit A.
2. The amount of the contract shall be not to exceed \$50,000.

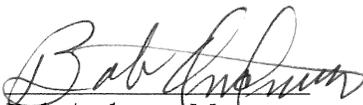
➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: April 5, 2016.

ADOPTED by the City Council of the City of Newberg, Oregon, this 4th day of April, 2016.



Sue Ryan, City Recorder

ATTEST by the Mayor this 5th day of April, 2016.



Bob Andrews, Mayor

AGREEMENT WITH LOOKOUT
TO PROVIDE CONSULTING SERVICES

THIS AGREEMENT is entered into this day ____ of _____, 2016 by and between the City of Newberg, a municipal corporation of the State of Oregon, hereinafter called **City**, and

Lookout
Holly Macfee
16850 Fernwood Dr.
Lake Oswego 97034
holly@lookoutco.com

Jon-Paul Bowles
2324 SE Main Street
Portland, OR 97214
jonpaul.bowles@gmail.com

hereinafter called **Consultant**.

RECITALS:

1. **City** has need for the services of a **Consultant** to develop a tourism strategy to guide the expenditure of Transient Lodging Tax funds.
2. By authority of NMC 3.25.080, the **City** chose to enter into Agreement using informal solicitation for proposals and chose **Consultant** based on an interview conducted by a subcommittee of the TLT Advisory Group on March 10, 2016. The selection was based on **Consultant's** particular training, ability, knowledge, expertise and experience.

NOW THEREFORE, in consideration of mutual promises, covenants and agreements of the parties, it is agreed as follows:

1. **Effective Date and Duration:** This Agreement shall become effective on the date that this Agreement has been signed by every party hereto.

Unless, terminated or extended, this Agreement shall expire when the **City** accepts **Consultant's** completed performance on or before June 30, 2016 whichever date occurs first. This fact notwithstanding, the services of **Consultant** shall be authorized and paid as described in Exhibit "1".

Expiration shall not extinguish or prejudice **City's** right to enforce this Agreement with respect to any breach of a **Consultant** warranty or any fault or defect in **Consultant's** performance that has not been cured.

2. **Termination:** This Agreement may be terminated at any time by mutual, written consent of the parties. The **City** may terminate immediately upon notice to the **Consultant** that the **City** does not have funding, appropriations, or other necessary expenditure authority to pay for **Consultant's** work. The **City** may terminate Agreement at any time for material breach, unless **Consultant** has cured such defect or deficiency within a reasonable period of time following notice of such claim.

3. **Scope of Work:** The **Consultant** agrees to **provide the services provided in the Scope of Work which are Exhibits "1" attached hereto and incorporated by this reference. The Consultant represents and warrants to the City that the Consultant can perform the work outlined in the Scope of Work for the fee proposal amount.**

4. **Compensation:** The **Consultant** agrees to perform the work for a not-to-exceed fee as indicated in their professional fee proposal included in the Scope of Work. The not-to-exceed figure is:

\$50,000

The fee will be paid 50% at commencement of contract and 50% at delivery of final plan. The **Consultant** shall not exceed the fee for any task included in the fee proposal amount. If the **Consultant** foresees that the fee is going to exceed the not-to-exceed figure because the task has changed or is outside the scope, the **Consultant** shall notify the **City** in writing of the circumstances with an estimated amount that the fee is to be exceeded. The **Consultant** shall obtain written permission from the **City** before exceeding the not-to-exceed fee amount. If the **Consultant** does work that exceeds the maximum fee amount prior to obtaining the written permission, the **Consultant** waives any right to collect that fee amount.

5. **Additional Work Not Shown within the Scope of**

Work: If **City** requests or requires work to be done not within the Scope of Work of this project, the **Consultant** shall notify the **City** of such work, provide an estimated fee amount, and obtain written instructions to proceed with work in the form of an Agreement amendment prior to proceeding with work and incurring any costs on behalf of the **City**. If **Consultant** proceeds with work prior to obtaining permission and/or Agreement amendment, the **Consultant** waives any right to collect fees for work performed.

6. **Agreement Documents:** This Agreement consists of this Agreement and any attached and referenced Exhibits. Work is under the sole control of **Consultant**; however, the work contemplated herein must meet the approval of the **City** and shall be subject to **City's** general right of inspection and supervision to secure the satisfactory performance thereof.

7. **Benefits:** **Consultant** will not be eligible for any federal social security, state workers compensation, unemployment insurance, or public employees' retirement system benefits from the Agreement payment except as a self-employed individual.

8. **Federal Employment Status:** In the event any payment made pursuant to this Agreement is to be charged against federal funds, **Consultant** certifies that he or she is not currently employed by the federal government and the amount charged does not exceed his or her normal charge for the type of services provided.

9. **Consultant's Warranties:** The work to be performed by **Consultant** includes services generally performed by **Consultant** in his/her usual line of business. The work performed by the **Consultant** under this Agreement shall be performed in a good and businesses-like manner in accordance with the highest professional standards. The **Consultant** shall, at all times, during the term of this Agreement, be qualified, be professionally competent, and duly licensed to perform the work.

10. **Indemnity:** **Consultant** shall defend, indemnify and hold harmless **City** from and against all liability or loss and against all claims, suits, actions, losses, damages, liabilities, costs, and expenses of any nature whatsoever resulting from, arising out of, or relating to the activities of the **Consultant**, or its officers, employees, subcontractors, or agents under this Agreement.

11. **Independent Contractor:** **Consultant** is not currently employed by the **City**. The parties to this Agreement intend that the **Consultant** perform all work as an Independent Contractor. No agent, employee, or servant of **Consultant** shall be or shall be deemed to be the employee, agent or servant of **City**. **City** is interested only in the results obtained under this Agreement; the manner and means of conducting the work are under the sole control of **Consultant**, however, the work contemplated herein must meet the approval of the **City** and shall be subject to **City's** general right of inspection and supervision to secure the satisfactory performance thereof.

12. **Taxes:** **Consultant** will be responsible for any

federal or state taxes applicable to payments received under this Agreement. **City** will report the total of all payments to **Consultant**, including any expenses, in accordance with the Federal Internal Revenue Service and the State of Oregon Department of Revenue regulations.

13. **Insurance:**

a) **Consultant**, its Subconsultants, if any, and all employers working under this agreement are subject employers under the Oregon Workers Compensation Law and shall comply with ORS 656.017, which requires them to provide workers compensation coverage for all their subject workers; or by signing this Agreement, **Consultant** represents that he or she is a sole proprietor and is exempt from the laws requiring workers compensation coverage.

b) **Consultant** will, at all times, carry a Commercial General Liability insurance policy for at least \$1,000,000.00 combined single limits per occurrence for Bodily Injury, Property Damage, and Personal Injury. The **City**, its agents, employees and officials all while acting within their official capacity as such, shall be named as an additional insured on the insurance specified in this paragraph.

c) **Consultant** will, at all times, carry a Professional Liability/Errors and Omission type policy with limits of at least \$1,000,000.00. If this policy is a "claims made" type policy, the policy type and company shall be approved by the City Manager prior to commencement of any work under this Agreement.

d) **Consultant** shall furnish the **City** with Certificates of Insurance upon execution of Agreement. Such Certificates of Insurance evidencing any policies required by this Agreement shall be delivered to the **City** prior to the commencement of any work. A 30-day notice of cancellation clause shall be included in said certificate. The **City** has the right to reject any certificate for unacceptable coverage and/or companies.

14. **Assignment:** The parties hereto each bind themselves, their partners, successors, assigns and legal representatives of such other party in respect to all terms of this Agreement. Neither party shall assign the Agreement as a whole without written consent of the other.

15. **Ownership of Work Product:** All original documents prepared by **Consultant** in performance of this Agreement, including but not limited to original maps, plans, drawings and specifications are the property of **City** unless otherwise agreed in writing. Quality reproducible records copies of final work product, including digital files of text and drawings shall be provided to **City** at the conclusion or termination of this Agreement. **City** shall indemnify and hold harmless **Consultant** and **Consultant's** independent professional associates or Subconsultants from all claims, damages, losses and expenses including attorney fees arising out of the **City's** use of any instruments of professional service

for purposes outside the scope of this Agreement.

16. **Entire Agreement:** This Agreement constitutes the entire Agreement between the parties and supersedes all prior agreements, written and oral, courses of dealing, or other understanding between the parties. No modification of this Agreement shall be binding unless in writing and signed by both parties.

17. **Notification:** All correspondence and notices related to this Agreement shall be directed to the project manager for the party to whom the correspondence or notice is intended. If directed to the **City:** City of Newberg, P.O. Box 970, Newberg, Oregon 97132, Attn: City Manager. If directed to the **Consultant:** Attn: Holly Macfee and Jon-Paul Bowles at the addresses listed above. Each party shall be responsible for notifying the other of any changes in project manager designation.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above mentioned.

CONSULTANT

CITY OF NEWBERG

By: _____
Name: Holly Macfee
Title:
Date:

By: _____
Name: Stephen A. Rhodes
Title: City Manager Pro Tem
Date:

By: _____
Name: Jon-Paul Bowles
Title:
Date:

Approved as to Form and Content:

Truman A. Stone City Attorney



Proposal for City of Newberg – Strategic Destination Management
Submitted by Holly Macfee of Lookout, and Jon-Paul Bowles, Destination
Development Consultant
February 19, 2016
Revised March 20, 2016 with updated timeline

Objective: If selected, our team will develop a **Strategic Destination Management Plan** for Newberg that guides how resources should be invested to create and market experiences that enhance the destination, increase visitation and grow your local economy. Our team specializes in tourism strategies that build and maintain a sense of place, create authentic visitor experiences and support local business. We will also provide guidance for creating an organizational structure to implement the plan in a way that benefits local businesses, local government, Main Street and other tourism stakeholders.

Project Background

Transient Lodging Tax (TLT) receipts will influence how Newberg develops as a destination. Our planning process helps ensure that TLT funds create a strong return on investment by leveraging Newberg’s unique position as the gateway to one of the most alluring wine country destinations in the nation. Importantly, we will also ensure strong ROI by aligning Newberg’s marketing strategies with entities that *currently* market your area, creating a powerful amplification effect. The organizations, among others, could include the regional destination marketing organization (Willamette Valley Visitors Association), the Oregon Wine Board, area Wine Associations like WVWA, local DMOs and Travel Oregon/Oregon Tourism Commission. This will allow Newberg to leverage mature campaigns, target new and existing audiences, and broadcast content through channels that already reach hundreds of thousands of potential visitors.

Newberg also has the opportunity to create an organizational structure that institutionalizes these relationships – and gives it access to additional funding. This proposal outlines an approach to creating an organizational structure that will sustainably manage and promote Newberg.

Approach

The consulting team proposes a three-part assessment to uncover inputs for how to best create and manage an organizational structure equipped to implement a destination marketing and management plan. The three-part assessment will focus on:

1. Organizational structure – existing local leaders with a stake in Newberg’s tourism development
2. Existing destination marketing efforts – by local lodging properties, wineries, the Chamber, wine associations, etc.
3. Destination management – goals for the destination’s growth, cultivating an authentic sense of place, strategies for maximizing benefit to the local community

Once the assessment is complete, the consulting team will develop a strategic destination development plan that outlines how to create an organizational structure to implement recommendations for destination marketing and development.

PART 1: ASSESSMENT

Primary research will include discussions with the steering committee, local business owners, leaders of heritage organizations, Chamber of Commerce, Main Street officials, area destination marketing organization leaders and local political leadership. The assessment will provide a snapshot of the destination as is, and provide insight into what local stakeholders would like the destination to become. The findings will inform the creation of the strategic plan. The consulting team will also use these interviews as an opportunity to engage local leaders and gauge their potential involvement in the organizational structure that is recommended in the strategic plan.

1. Organizational Structure

Where we are now:

- Who are the stakeholders currently promoting Newberg?
- How are they using their resources? Where do the resources come from?
- What tourism strategies are guiding the existing players?

Where do we want to go:

- How can existing resources be better leveraged? What additional resources could a new organizational structure pursue?
- What players are not at the table who should be?
- What role should those stakeholders play in the new organizational structure?
- What types of organizational structures have worked as formal or informal DMOs for comparable towns? (case studies)

2. Destination Marketing

The following review will be conducted and summarized in a Destination Marketing Opportunities section of the Strategic Plan. This document will provide key findings, strategies and recommendations, and will provide a foundation for future marketing efforts for Newberg:

Where we are now:

- What is the current messaging – mainly focused on Newberg, or also the surrounding area?
- What do we know about the profile of the current visitor to Newberg and the area?
- What are Newberg’s tourism assets and experiences? (Of interest: how many current experiences work with tour operators). How should these experiences be prioritized in marketing communications?
- Marketing communications review – what materials (collateral, website, social media, advertising, etc.) are currently being used to promote experiences in Newberg to visitors? How do these materials currently position the destination, and what recommendations can be made to improve these in the short and long term. If very little is currently available, consultant will make recommendations for prioritized building of communication assets.

Where we want to go

- Who is the optimal target audience for future marketing efforts and what are the best channels for communicating Newberg’s message to them?
- Given limited marketing resources, what tourism marketing channels exist that Newberg can leverage to communicate your message, i.e., Travel Oregon, the Regional Destination Marketing Organization, Travel Portland, Oregon Wine Board, etc. Consultant will provide recommendations for content planning models & PR to maximize these relationships.
- What marketing strategies best serve the destination’s goals? Stay another day? Seasonal or shoulder-season marketing?
- We will review available research to help set direction, including the Longwoods Visitor Profile, Full Glass Research on High Frequency High End Wine Buyers, US Travel Association Culinary Tourism research, etc.
- Organizational funding, growth strategies and supplemental funds through state, federal and county programs.

3. Destination Management

Where we are

- How does the visitor perceive their experience in the destination?
- What are the destination’s assets? (Conduct asset mapping)

- How do local businesses and heritage organizations perceive the visitor? What level of customer engagement do they offer?
- What are the “highs and lows” of the visitor experience? What types of experiences should be built on?

Where we want to go

- Based on visitor preferences and existing assets, what experiences should be developed?
- How can the new organizational structure attain the resources needed to develop those experiences?
- What role exists for local businesses to create new services to fill pent up demand?
- How can county and city leaders co-create a hub and spoke model to encourage visitors to stay and spend in Newberg, and take outdoor recreation and agritourism excursions in surrounding areas?
- What kind of grant structure might be implemented to align local business efforts with this larger effort? Consulting team will advise on different models and best practices in development of grant guidelines and criteria, management and reporting.

PART 2: STRATEGIC PLANNING

The findings from the assessment will be paired with the steering committee’s insight, and the consulting team’s knowledge of best practices in destination marketing and development to create a strategic plan.

The strategic plan will give recommendations for creating a formal or informal DMO (organizational structure) and how to implement marketing and development strategies. To do so, the consulting team will facilitate a session with the steering committee to review the assessment’s findings, draft a framework for the strategic plan, and conduct a brief visioning session.

The strategic plan will include:

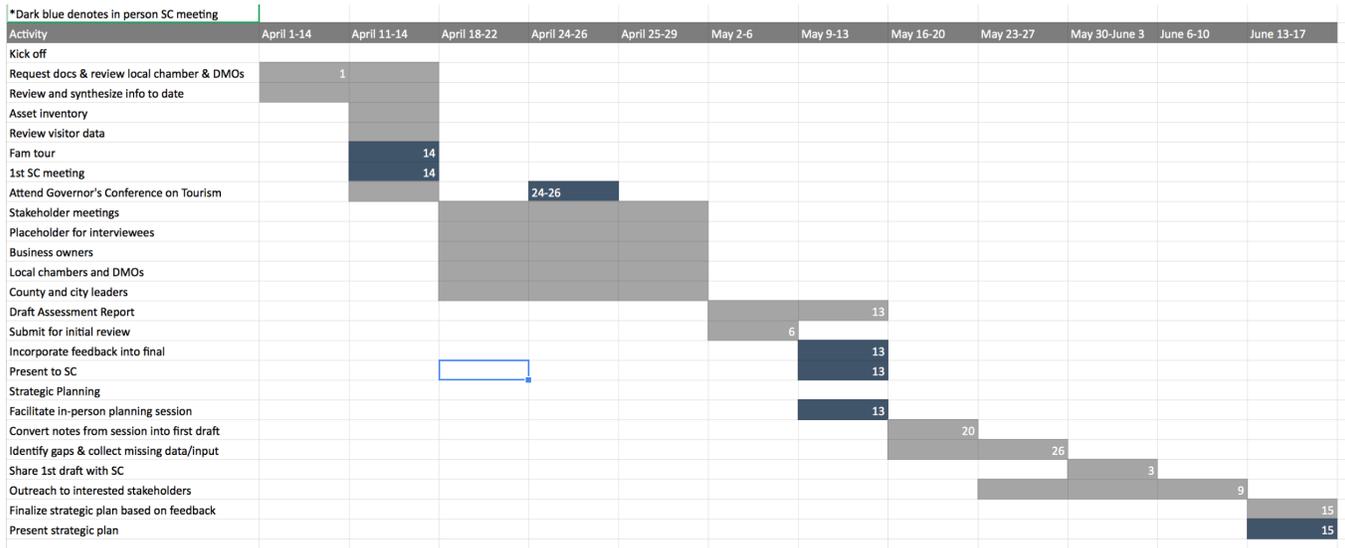
- A draft vision statement that articulates what success looks like in 5 years and 10 years
- Recommendations for organizational structure
- A destination marketing strategy
- A destination management strategy

Once the strategic plan is adopted, the Newberg team will be positioned to create work plans that articulate:

- 1 year – Quick wins to consolidate energy and build momentum

- 2-5 years – to institutionalize the new organizational structure and build on destination marketing and management goals through a grant program and additional fund development
- 6-10 years – ongoing coordination of public and private partnerships that enhance and promote the destination
- ****Note:** Once this plan is finalized, we recommend ongoing engagement with the consulting team for monthly check-ins so we can help advise on strategy and priorities, and keep your momentum going

TIMELINE:



Fee: \$48,000

Contractors fee covers the work outlined above, which includes:

- Deliverable of a Strategic Destination Management Plan and Strategic Marketing Recommendations
- Introductory meeting with management team to finalize project scope, objectives, and assessment framework
- Meetings with local business leaders, wine associations, the Chamber and other stakeholders who will provide input for the assessment
- In person meeting with management team to present the assessment, conduct SWOT Analysis, draft a 5 and 10 year vision, and discuss framework for strategic plan
- In person presentation of strategic plan to all interested stakeholders: Next steps for organizational development, destination marketing and destination management
- Check-in meetings (phone) as needed, to keep project moving forward

- **Attendance at first implementation meeting; additional ongoing consulting, as desired, would be scoped separately

Fee does not include mileage to and from Newberg from consultant's homes (in Lake Oswego and SE Portland). These will be invoiced at conclusion of the project and will be calculated at the current state rate (.575/mile).

Project Team Bios

Jon-Paul Bowles

Jon-Paul Bowles is a native Oregonian who grew up with a deep appreciation of nature and community in rural Oregon. He spent nearly a decade working on sustainable tourism development in the U.S. and abroad, in and around World Heritage sites, and consulting for national and statewide tourism commissions, before returning to his happy fishing and hunting grounds. Since returning to Oregon, Jon-Paul has worked with Travel Oregon and Rural Development Initiatives (RDI) to design and implement programs to grow rural economies through tourism and improved local food systems.

He currently supports destination marketing organizations along the Wild Rivers Coast (Bandon to Brookings), in the mid-Willamette Valley wine country and Oregon's Mount Hood Territory to create tourism product that promotes increased spending at local businesses, especially in shoulder and off-seasons.

He specializes in helping tourism boards, government officials, businesses, non-profits and community groups foster tourism development in a way that builds local economies while maintaining a sense of place. He focuses on the importance of cultural and environmental conservation as engines of economic growth, rather than competing objectives.

Jon-Paul received an M.A. in Public Communication from American University and his B.A. in political science and communication from Furman University.

Holly Macfee

Holly Macfee is Principal at [Lookout](#), a strategic planning and brand marketing creative consultancy based in Portland, Oregon. Lookout focuses on helping travel destinations define their unique offerings and communicate that experience to the world through strategic marketing planning, inspiring content and breakthrough campaigns.

Through 2014, Holly served as Vice President, Global Brand Strategy for Travel Oregon, the state tourism office. During her 10-year tenure, she helped shape Oregon's voice as a destination, and launched Oregon Bounty, the state's culinary and agritourism campaign, collaborating with winemakers, brewers, ranchers, farmers markets and producers from across the state. [Oregon Bounty](#) is a three-time winner of the coveted Mercury Award from the US Travel Association, twice winning best overall campaign in the country. As creative lead for Travel Oregon, she worked alongside Wieden+Kennedy, to produce the [7 Wonders of Oregon](#), the most successful tourism marketing campaign the state has ever run.

Holly also worked with rural communities helping them build marketing plans as part of [Travel Oregon's Rural Tourism Studio](#), and was the tourism commission lead on the

[Regional Cooperative Marketing Program](#). Prior to Travel Oregon, Holly worked for 16 years for the Walt Disney Company's theme parks and film division in marketing and brand strategy.

Current clients include Travel Oregon, Eastern Oregon Visitors Association, the Oregon Wine Board, Martin Hospitality, Seaside, Grants Pass and Discover Klamath, among others.