RESOLUTION NO. 2016-3307

A RESOLUTION ADOPTING THE NEWBERG STRATEGIC TOURISM PLAN DATED JUNE 13, 2016

RECITALS:

1. The City of Newberg recently increased the Transient Lodging Tax and as a part of that process agreed to engage members of the tourism and business community on the best uses of the funds so generated.

2. An informal Advisory Body was brought together from the community that included members of the Chehalem Valley Chamber of Commerce, local tourism related businesses, residents, the Mayor and City staff.

3. The tourism consulting firm Lookout was selected to develop a Strategic Tourism Plan and they conducted research and interviewed members of the community about tourism related issues. Lookout developed a Tourism Strategy and worked with staff and the Advisory Body to refine the strategy so that it was tailored to the needs of the community and would serve as a blueprint for the use of Transient Lodging Tax receipts.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Council hereby adopts the attached Newberg Tourism Strategy dated June 13, 2016.

- **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: June 21, 2016.

ADOPTED by the City Council of the City of Newberg, Oregon, this 20th day of June, 2016.

Sue Ryan

Sue Ryan, City Recorder

ATTEST by the Mayor this 23rd day of June, 2016.

Bob Andrews, Mayor

Resolution 2016-3307
Exhibit A

Newberg Strategic Tourism Plan

June 13, 2016

Newberg Strategic Tourism Plan
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Introduction

Methodology:

- Tourism Planning Advisory Group established by the city
- Reviewed research from multiple sources & organizations including Newberg Economic Development Plan and America's Best Communities Plan; TLT lodging establishments, Travel Oregon & the Oregon Wine Board
- Reviewed existing marketing channels, plans and materials
- Conducted over 20 one-on-one and group interviews
- Facilitated planning session with advisory group & Newberg area familiarization tour
- Developed draft plan & facilitated two additional planning & review sessions
- Spent a full weekend day in Newberg as a visitor to assess experience
- Post full plan for City Council review; present to Newberg City Council (June 20)

Research

- This plan was informed by the following research as well as additional background materials:

  - Newberg Economic Development Plan
  - Newberg – America's Best Communities Plan
  - Wine Opinions 2015 Survey, Oregon Wine Board
  - Travel Oregon/Oregon Travel Barometer*
  - Longwoods Visitor Profile, Willamette Valley Region*
  - April 2013 MMGY Global, Travelhorizons*
  - Oregon's Bounty Visitor Behavior and Attitudes: 2011, Suzanne Cook Consulting, LLC*

**Full studies can be viewed at http://industry.traveloregon.com/research/*

Interviews / Inputs

- Steve Rhodes, Newberg City Manager Pro Tem
- Sheryl Kelsh, Chehalem Valley Chamber of Commerce
- Doug Rux, City of Newberg
- Dave Adelsheim, Adelsheim Vineyard
- Sue Horstmann, Willamette Valley Wineries Association
- Emily Nelson, Willamette Valley Wineries Association
- Megan Carda, Lifestyle Properties Vacation Rentals
- Christian de Benedetti, Beer Writer and owner, Wolves & People
- Don Clements, Chehalem PRD
- Rob Dailey, Chehalem Cultural Center
- Gerald Kubiak, Yamhill County Strategic Plan
- Ashley Lippard, Designer, Pulp & Circumstance
- Mike Ragsdale, Newberg Downtown Coalition
- Loni Parrish, Distinctive Destinations, Art Elements, property owner
- Andrew Turner, Valley Wine Merchants
- Rob Felton, George Fox University
- Lori Louis, The Allison Inn & Spa
- Pierre Zreik, The Allison Inn & Spa
- Lila Martin, Lila Martin PR
- Scott West, Chief Strategy Officer, Travel Oregon
- Todd Davidson, CEO, Travel Oregon
- John Kerekanich, Ford Dealership

Themes from Interviews

- There's excitement about what Newberg can become as a destination— "great plans /ideas"
- But also – can we really get it done?
- Newberg is on the edge of significant change & growth – but it MUST maintain its character and access for locals
- We are seeing increasing visitor demand
- In its current state, downtown Newberg does not have the experiences luxury travelers seek
- We need better restaurant and retail mix downtown – high quality, farm to table, local/independent boutiques
- There's a growing cadre of young makers/entrepreneurs setting up lives/businesses in Newberg
- There's more opportunity for businesses to collaborate than is being taken advantage of
- Everyone is anxiously hoping for the bypass to improve the downtown experience/noise/traffic
- There's a lack of overnight lodging
- There's a lack of understanding of the visitor marketing and services the Chamber already provides
- Chamber is set up & resourced more to serve their business members than the tourism industry
- We can't wait until "Newberg is perfect" to market it. We need to market what we have now
- We need to coordinate with other tourism organizations – get them together and aligned
- We're creating chaos for the visitor – fractured spending and messaging amongst all these small Destination Marketing Organizations/AVA's/associations
- Front line staff need to refer guests to each other's businesses
- There's a lot of excitement around the Cultural Center – its expansion and arts in general in the community. Newberg can really become an arts destination.
- We need ONE events calendar
- There's excitement around a signature music/makers/cultural festival or event that could put Newberg on map as a destination

Future Vision - Newberg as a Tourism Destination

Newberg is Oregon's authentic gateway to Oregon Wine Country—a vibrant, beautiful, inviting town, developed with care and livability for the local community, but attracting and serving a growing base of wine country explorers from around the West.

Enveloped by miles of rolling hills dotted with filbert orchards, farms, and over 200 world-class wineries in a 30-40 miles radius, Newberg is the basecamp for wine country exploration and agri-tourism, whose quality downtown experience matches the acclaim of the surrounding countryside and its award-winning products.

Galleries, farm to table eateries, wine tasting rooms, unique shopping, breweries, an upper-mid tier independently owned hotel with a rooftop bar, and a thriving farmers market populate a walkable downtown. A rich tableau of public art, performances, sidewalk cafes, pocket gardens, and unique boutiques encourage more time in town for shopping and wandering.

This vibrant downtown is *connected* to its river – in fact it's the ONLY small Oregon wine country town with fully developed Willamette River access for paddlers, boaters, anglers and more. A network of trails for hikers and cyclists from Parrett Mountain to Main Street to the Willamette Valley Scenic Bikeway attracts active adventurers from urban areas who will come to recreate, then enjoy our local wine, food and beer.

These visitor experiences thrive due to a well-networked group of tourism businesses, local associations and city leaders who support each other, and who are aligned behind a set of effective marketing strategies that attract luxury wine travellers, valley adventurers and a burgeoning group of millennials enticed by our maker culture.

All this creates a ripple effect of new businesses that support the makers and producers and visitor economies. Newberg feels like a place of economic vitality and sustainability for the local community. Residents talk with even more pride about how their town has grown, and how now, more than ever, it feels like a place they can raise their families and thrive.

TOURISM PLAN GOALS

1. Tourism bolsters Newberg economy in measureable ways
2. Newberg is a destination of artisan makers and doers
3. Tourism funding and industry partners catalyze downtown development, and creation of new experiences for target audiences
4. The tourism organization and strategy engage and energize local tourism partners and demonstrate healthy partnership between the private sector and city
5. Moon shots – tourism encourages sustainable development that benefits the local community and enhances the visitor experience

TOURISM PLAN
3 pronged approach to success

1. Organizational Development

2. Destination Development

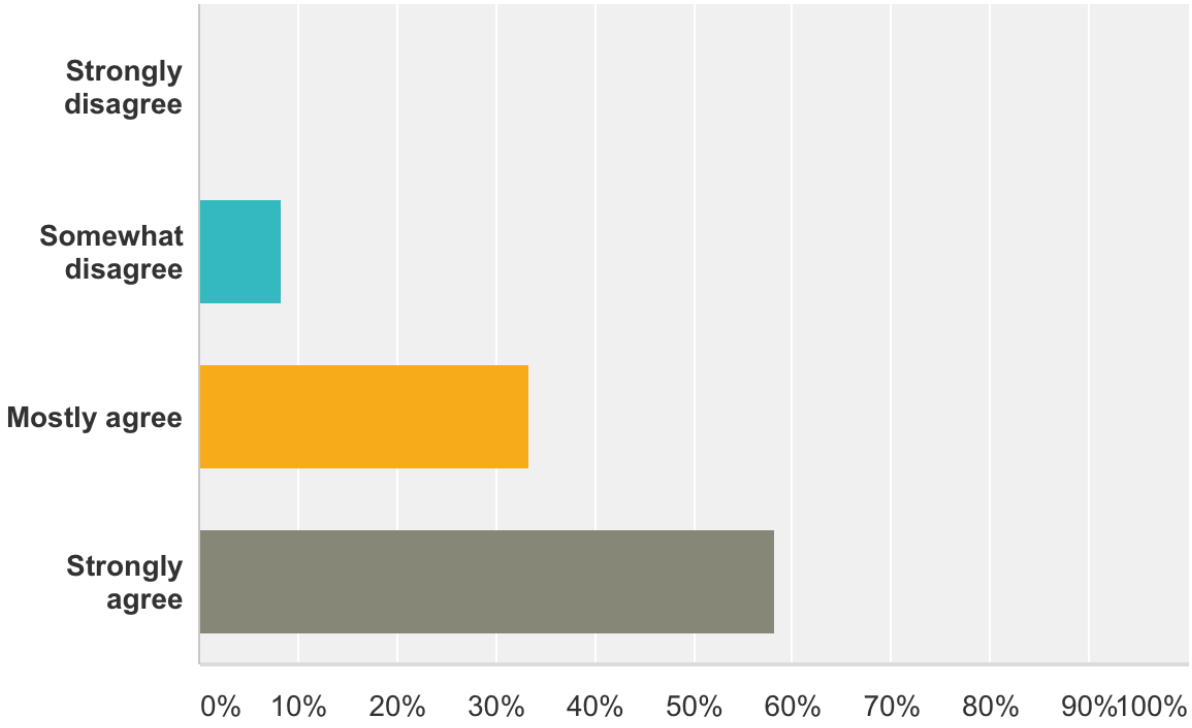
3. Destination Marketing

Partnerships as cross cutting theme

Survey results from advisory group following presentation of 1st draft plan

In general, the Newberg Tourism plan is headed in the right direction

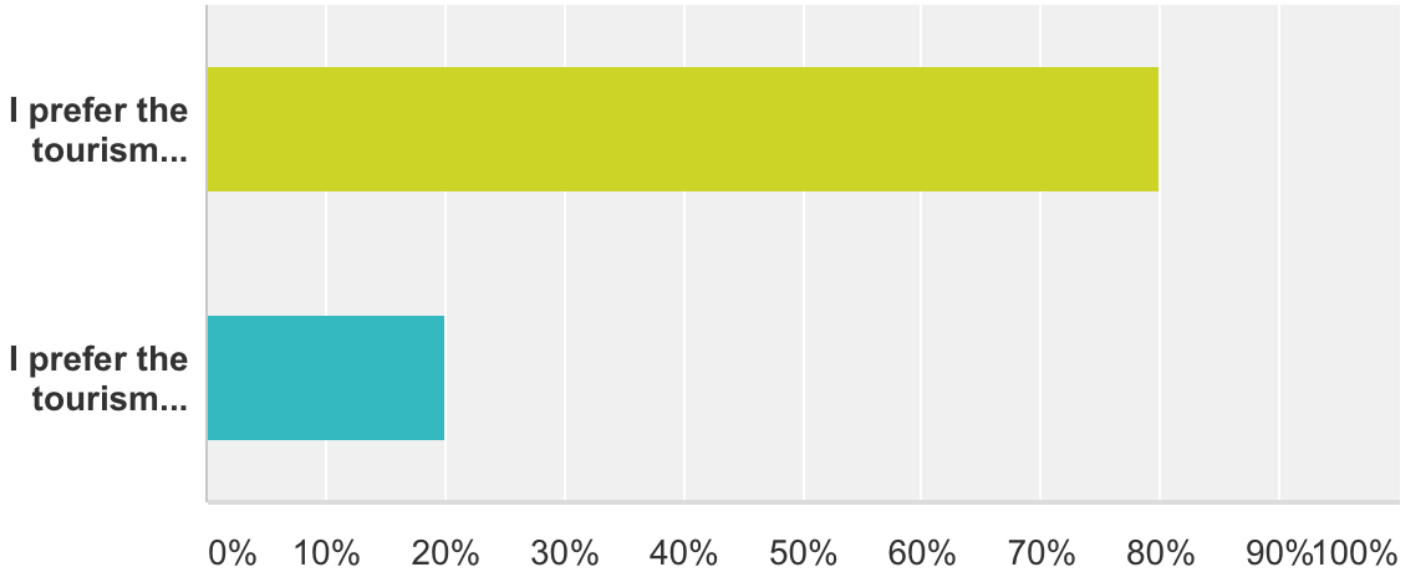
Answered: 12 Skipped: 0



Answer Choices	Responses	
Strongly disagree	**0.00%**	0
Somewhat disagree	**8.33%**	1
Mostly agree	**33.33%**	4
Strongly agree	**58.33%**	7
Total		12

The draft plan outlines recommendations for an organization that will shepherd the use of Transient Lodging Tax funds. Please indicate your preference:

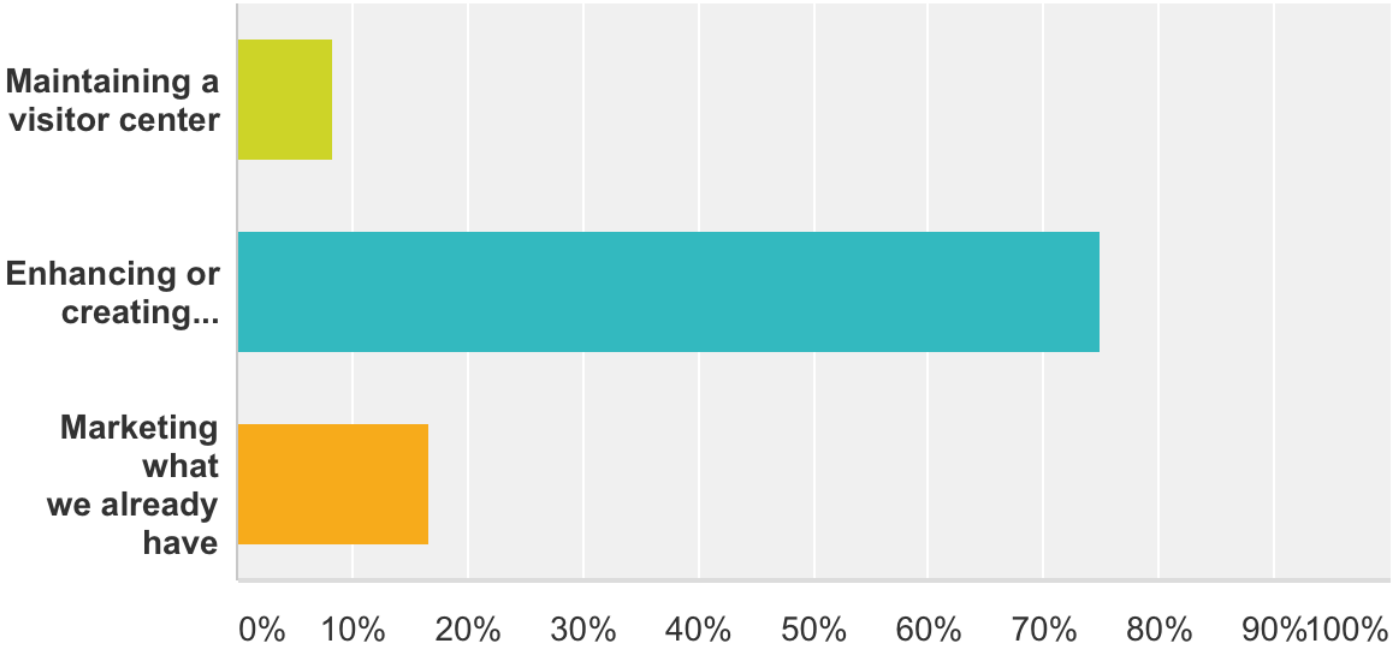
Answered: 10 Skipped: 2



Answer Choices	Responses	
I prefer the tourism organization be a separate organization, but have a strong relationship with the Chamber.	**80.00%**	8
I prefer the tourism organization be a subset of the Chamber.	**20.00%**	2
Total		10

In order of importance, Newberg's tourism funds should focus on:

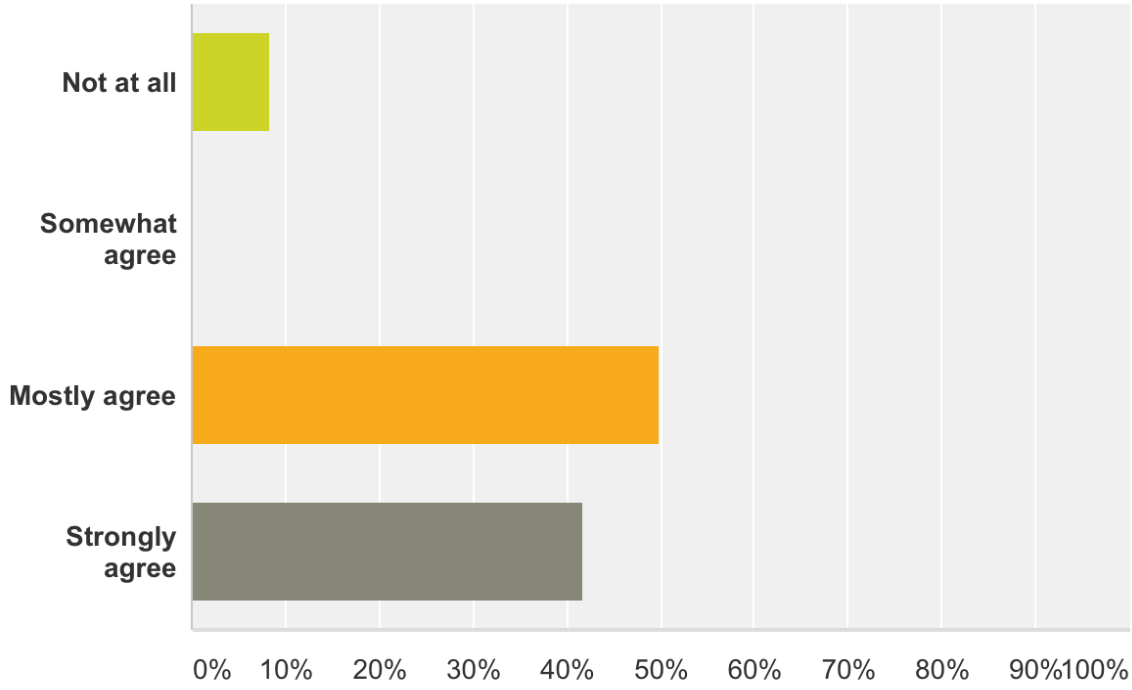
Answered: 12 Skipped: 0



Answer Choices	Responses	
Maintaining a visitor center	**8.33%**	1
Enhancing or creating experiences for visitors	**75.00%**	9
Marketing what we already have	**16.67%**	2
Total		12

Do you agree with the product development recommendations (slides 57-59) in the draft plan?

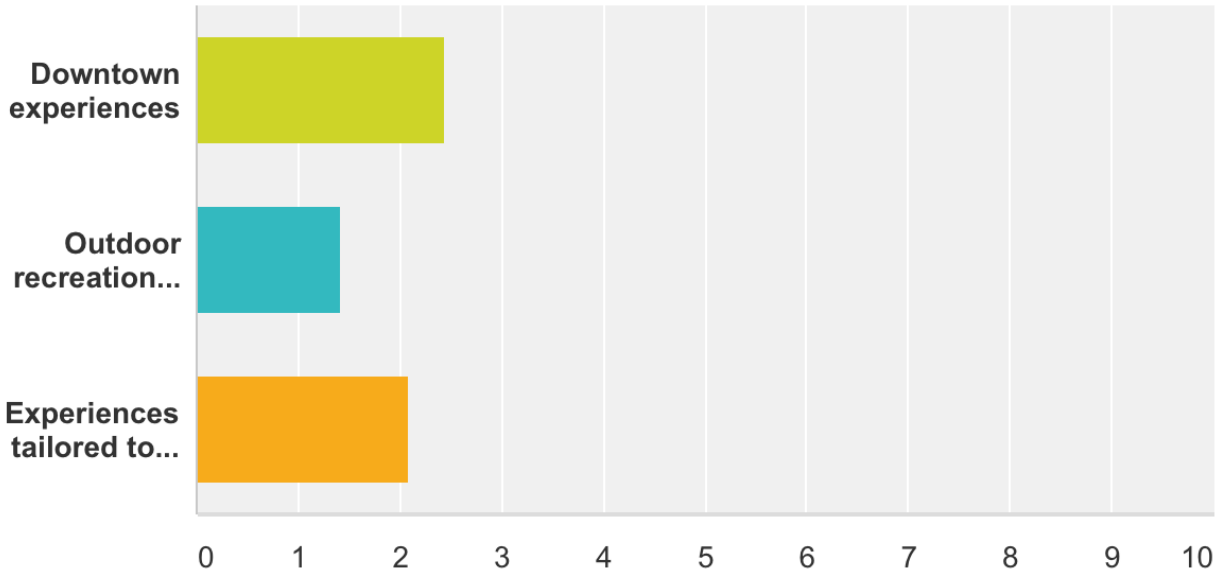
Answered: 12 Skipped: 0



Answer Choices	Responses	
Not at all	**8.33%**	1
Somewhat agree	**0.00%**	0
Mostly agree	**50.00%**	6
Strongly agree	**41.67%**	5
Total		12

Which type of experience are you most excited about developing for Newberg visitors?

Answered: 12 Skipped: 0



	1	2	3	Total	Score
Downtown experiences	**54.55%** 6	**36.36%** 4	**9.09%** 1	11	2.45
Outdoor recreation experiences	**8.33%** 1	**25.00%** 3	**66.67%** 8	12	1.42
Experiences tailored to luxury wine travelers	**33.33%** 4	**41.67%** 5	**25.00%** 3	12	2.08

DESTINATION MARKETING

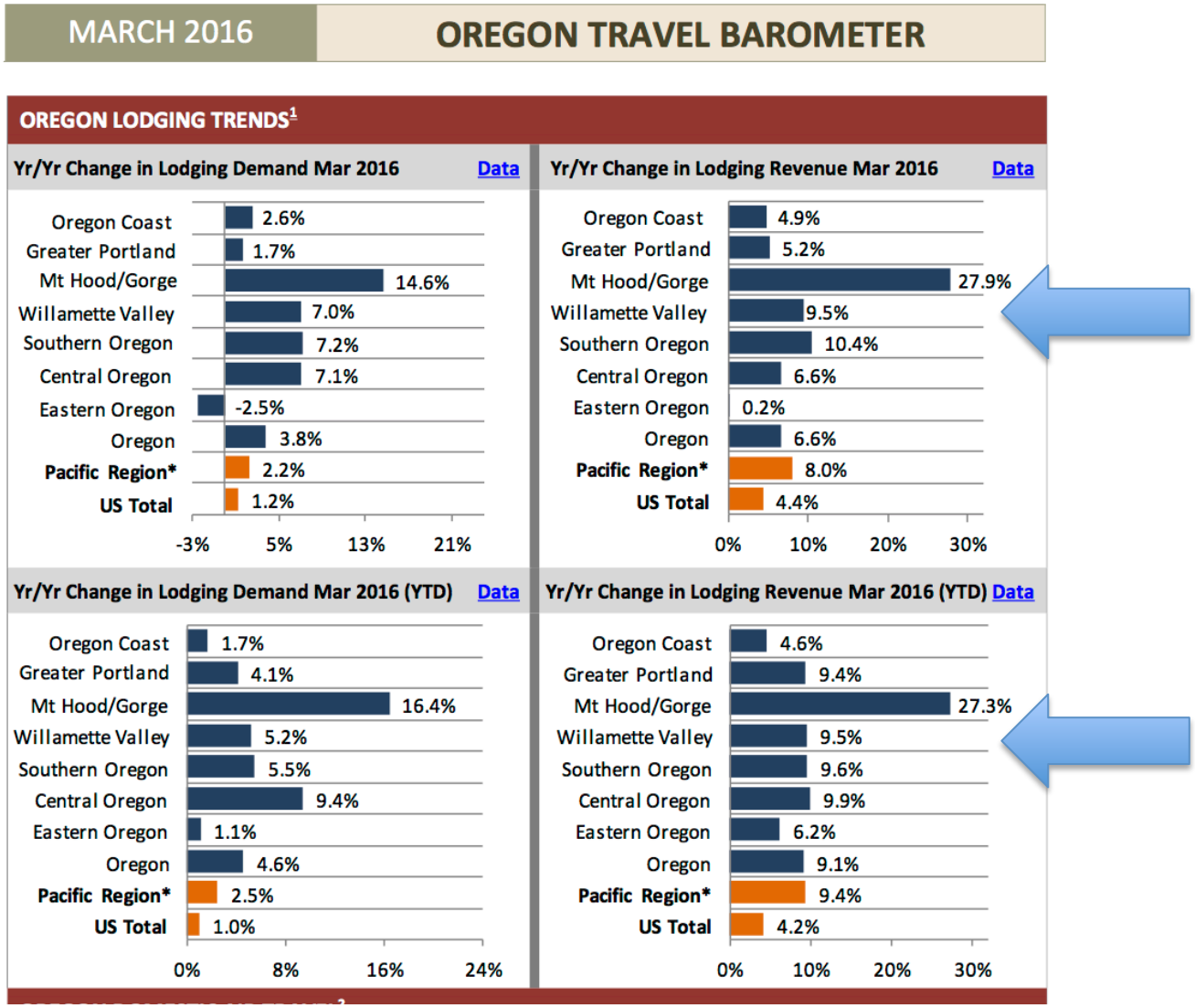
Destination Marketing

- Successful destination marketing helps achieve the overarching goals of an area's **tourism plan**.
- Destination marketing organizes a place's experiences and services (*product*) then communicates them in a way (*positioning/branding*) that inspires an identified target audience to visit that destination & consume those experiences.
- Successful marketing promotes *the destination's benefit and real value* to its audience, not just a list of attractions.
- The destination marketing plan will be developed by the new Tourism Organization and its board, and will consist of:
  - Goal(s) and measurable objectives
  - Target audience(s)
  - Brand positioning and messages
  - Tactics (e.g., PR, advertising, collateral, social media)
  - Budget
  - Timeline
  - Measurements

Destination Marketing Cycle

INSIGHTS & RESEARCH

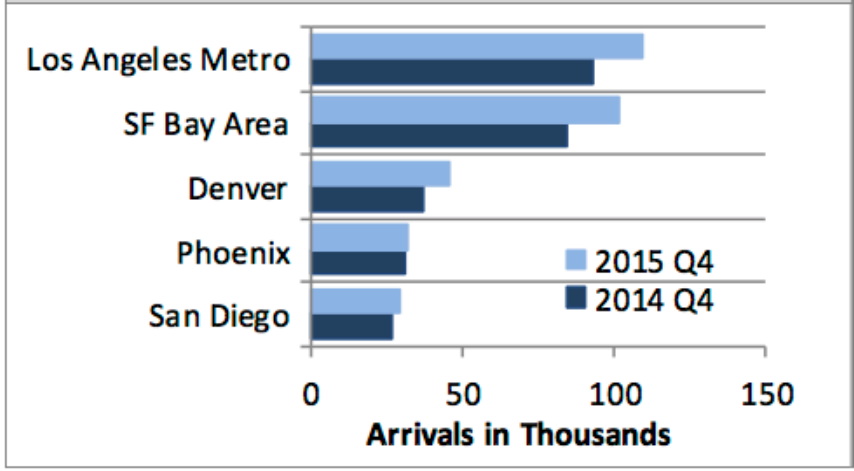
Oregon Travel Barometer – tourism is on a significant upswing in the Valley



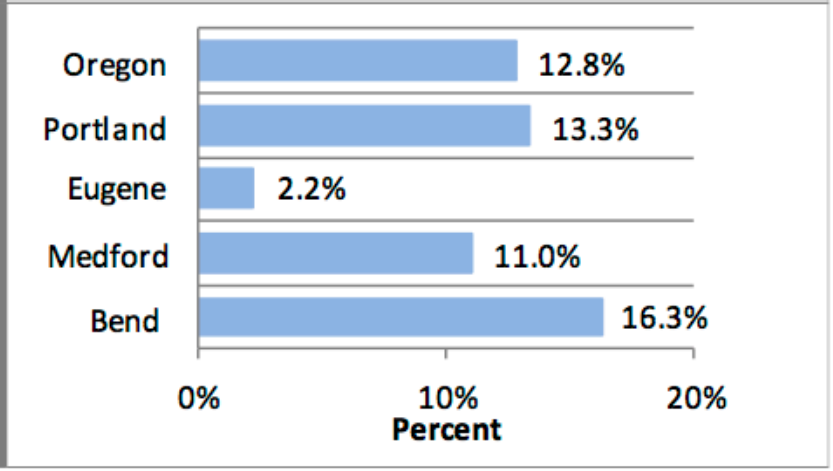
Oregon Travel Barometer

OREGON DOMESTIC AIR TRAVEL[2]

Top 5 Origin Markets: Q4 2015 vs. Q4 2014 Data



Yr/Yr Change in Air Arrivals: Q4 2015 Data



*The Pacific Region includes the states of Alaska, California, Hawaii, Oregon and Washington.

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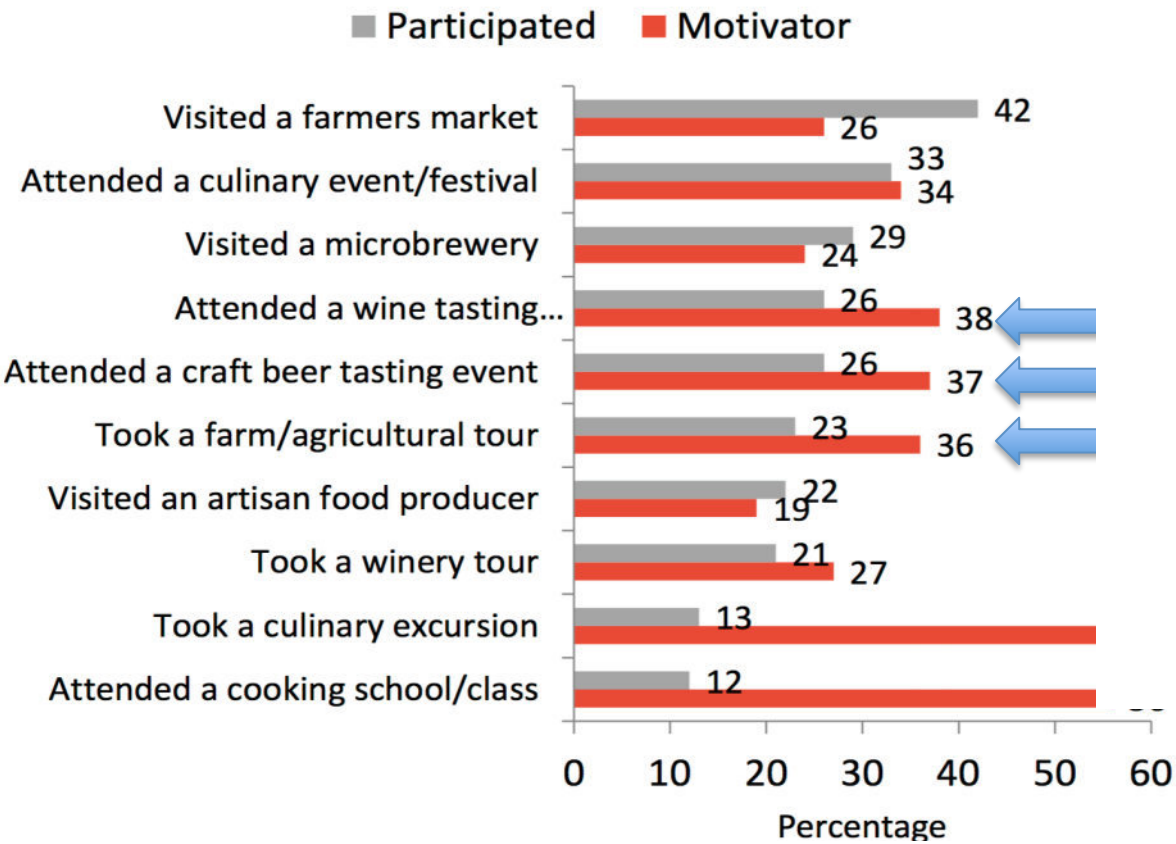
TRAVEL OREGON

CULINARY ACTIVITIES



- According to the April 2013 travelhorizons TM survey, six out of ten (56%) adults who visited Oregon in the past two years said they participated in culinary experience while visiting OR
- Eight out of ten (77%) of those who participated in a culinary experience said they **planned to participate in the culinary experience in Oregon before departing from home**

MMGY 2013 Travel Horizons: http://industry.traveloregon.com/content/uploads/2014/04/Travel-Horizons-April-2013-Culinary-Extract.pdf

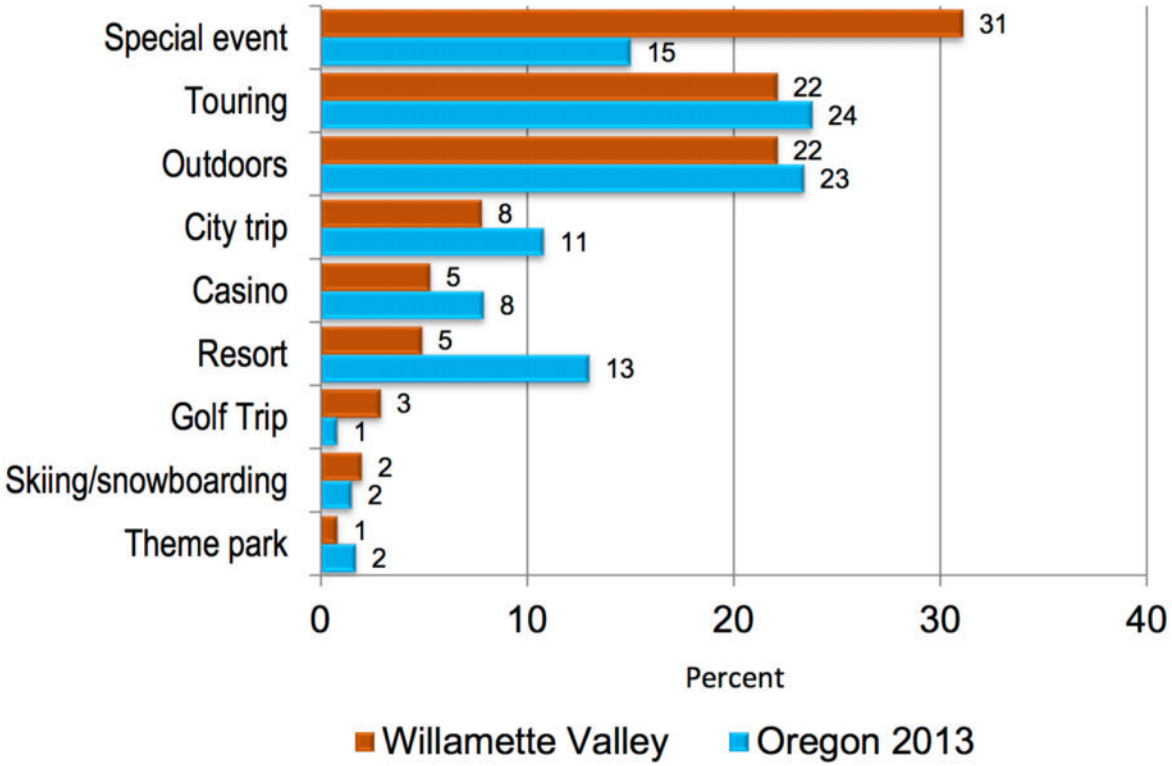
Oregon's Wine Tourism Industry

- Contributes $207 million in annual visitor spending & creates 1.8 million wine-oriented trips each year (41% are from out of state visitors)
- Employs 2,623 employees with earnings of $67.8 million/year
- The experience and purchase of local Oregon products while visiting significantly contributes to return visitation, and purchasing those products at home*

**Suzanne Cook, Oregon Bounty Visitor Behaviors*

Main Purpose of Marketable Trip — Willamette Valley vs. State Norm

Base: Overnight Marketable Trips



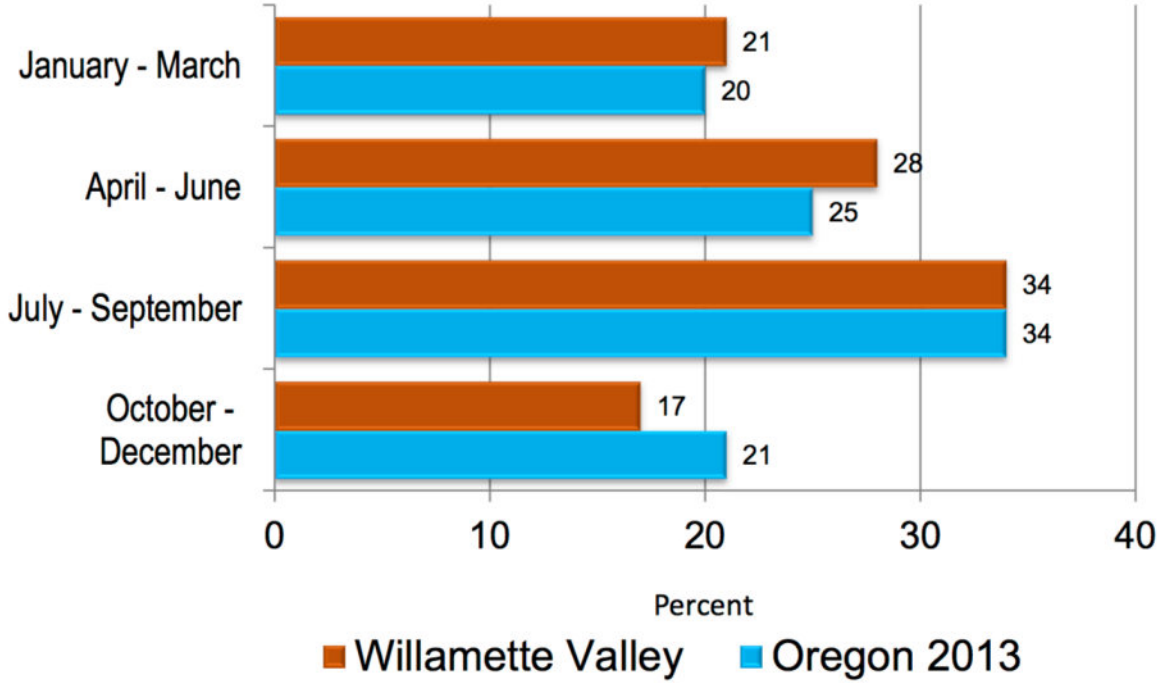
Special Events, touring and outdoors rank as high activities and ones we recommend focusing on for product development

DMA Origin Of Overnight Trip

Base: Overnight Marketable Trips

Season of Trip

Base: Overnight Marketable Trips



DEFINING OPTIMAL TARGET AUDIENCE(S)

Wine Country Adventurers

PROFILE:

- Travels to the Valley primarily for wine, BUT they really want recreation component – think bikes on a rack/kayak on roof—opportunity to engage large volume of adventurers in 300 mile radius. It's about the combo experience
- They'd rather cycle from winery to winery—they want to earn their indulgences
- Kayak then cooking class
- Can be high income visitors; cyclists spend 20% more than typical visitor
- Age 35-55
- Portland Metro, Eugene, Seattle
- Tech savvy and avid social media users
- Into local, high quality food, craft beer
- Farmer's Markets
- Driven by their sustainability/green values

Wine Country Adventurers

Where to find them:

- Food forward, local grocers New Seasons, Whole Foods, Farmer's Markets
- Cultural creatives, young entrepreneurs, tech, creative fields
- Breweries & locally sourced restaurants – Hopworks, Breakside, Bunk, Olympia Provisions, Salt & Straw, Food Carts, Ex Novo
- Culinary events: Feast Portland, Oregon Brewers Festival
- Instagram, Snapchat, Youtube, Mapmyride, Facebook, Stay Wild, Lucky Peach, Willamette Week, Eater, Portland/Seattle Monthly, 1859, Outside
- Retailers: Next Adventure, Bike shops, Poler, Danner, Madewell

Are we ready for them: Somewhat

- Invest first tranche of funds to build trail connectors, integrating parks & tourism, river access enhancements for paddlers (not just motorized boaters), better wayfinding
- Recruit bike & paddle rental shop or kiosk

What we can do in the meantime:

- Inventory all trails & recreation and feature prominently in our website & marketing
- Develop short term map printed & online that features downtown on one side and trails/rec/wine country etc. on the other
- TRAIN front line staff on visitor guest service and <u>referral</u> system between businesses

Millennial Explorers

PROFILE:

- 21-36
- Willing to make their own adventure—okay if a destination is “up & coming” – they like less discovered/emerging places
- Growing in affluence – important to build affinity now for your destination
- Stay at Airbnb & smaller hotels (e.g., McMenamins)
- Think Astoria 5 years ago (“Historically hip”)
- Love craft breweries/distilleries, quality local food…very discriminating taste
- Caravan coffee, Wolves & People, Downtown wine tasting rooms, local authentic food, Ruddick Wood Tavern

Millennial Explorers

Where to find them:

- Food co-ops, CSAs, local grocers, New Seasons, Farmer's Markets
- Cultural creatives, young entrepreneurs, early in careers, bike makers, chefs, high end bartenders
- Might not own cars
- They rather spend money on great food and experiences than a fancy hotel – experiences over things
- Breweries & locally sourced restaurants & food carts – Hopworks, Breakside, Bunk, Ex Novo
- Hugely event driven: Whiskeytown, Oregon Brewers Festival, Negroni Social, Cocktail Week
- HIGH: Instagram/Snapchat; Youtube, Stay Wild, Lucky Peach, Willamette Week, Eater, Portland/ Seattle Monthly, following chefs

Are we ready for them: Somewhat

- Consistent business hours of shops/restaurants/wineries
- Developing / Integrating classes from cultural center like art classes; work with local tasting rooms & craft makers (e.g., chocolate shop to feature culinary classes)

What can we do now:

- Create curated itinerary of relevant shops/maker spaces/restaurants etc. geared to this audience
- Create stories featuring items like classes; highlight these activities in visitor guide, website etc.
- TRAIN front line staff on visitor guest service and <u>referral</u> system between businesses

George Fox Network

PROFILE:

- 30,000 people come to George Fox every summer
- Visiting students & alumni throughout the year
- Sports teams / fans and friends/family of athletes

George Fox Network

Opportunity to have them stay, experience and spend more locally

Where to find them:

- Alumni club
- Parent communications
- Athletics

Are we ready for them?: Yes, except…

- Need upper/mid-level independently owned hotel downtown

What we can do right now:

- Develop communications program with University to provide visitor information to audiences above
- Determine what experiences are best suited for GF visitors – develop itinerary/suggestions for them and communicate through GF channels

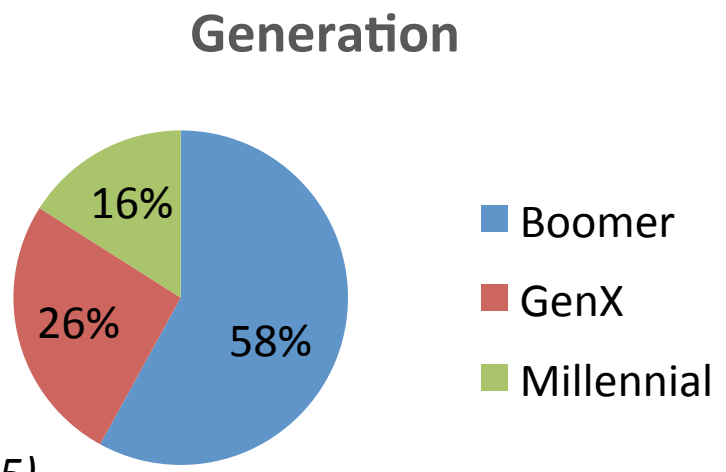
Oregon Wine – Especially in Willamette Valley - is a PREMIUM Product

Oregon Wine Board commissioned research to better understand premium wine consumers and attitudes and perceptions of Oregon wine vis a vis competing wine regions

High Frequency High End: Consume wine at least a couple times a week **and** purchase wine over $20 at least monthly.

8-10 million consumers in US who fit this profile

-Among audience, Oregon has strong perception of artisan/family wineries
-PINOT NOIR
-Exceptional quality



Wine Opinions Study (Oregon Wine Board 2015)

Luxury Wine Travelers

PROFILE:

- High income culinary explorers
- Age 30-65. From Portland, Lake Oswego, Eugene, Seattle, San Francisco, LA, Vancouver BC, Texas
- (Note 32% of Amex spenders at The Allison are millennials)
- Tech savvy
- Avid home gardeners, love farmer's markets
- Into food scene / restaurants
- Green / sustainability oriented
- Buyers of the best

Luxury Wine Travelers

Where to find them:

- Wine club members & wine groups
- Food forward, high-end grocers New Seasons, Whole Foods, Market of Choice, Zupans, Providore
- Arts organizations/boards; cultural creatives; professionals
- Chef driven restaurants – Sitka & Spruce, Whale & Carpenter (Seattle); Little Bird, Castagna, Ox, Imperial (Portland)
- Non-profit wine events - Classic Wines Auction (OR), Auction of NW Wines (WA)
- Culinary events: Feast Portland, Truffle Festival
- Facebook, Bon Appetit, Food & Wine, Eater, Portland/Seattle Monthly, 1859, Wine Spectator

Are we ready for them? … Not yet

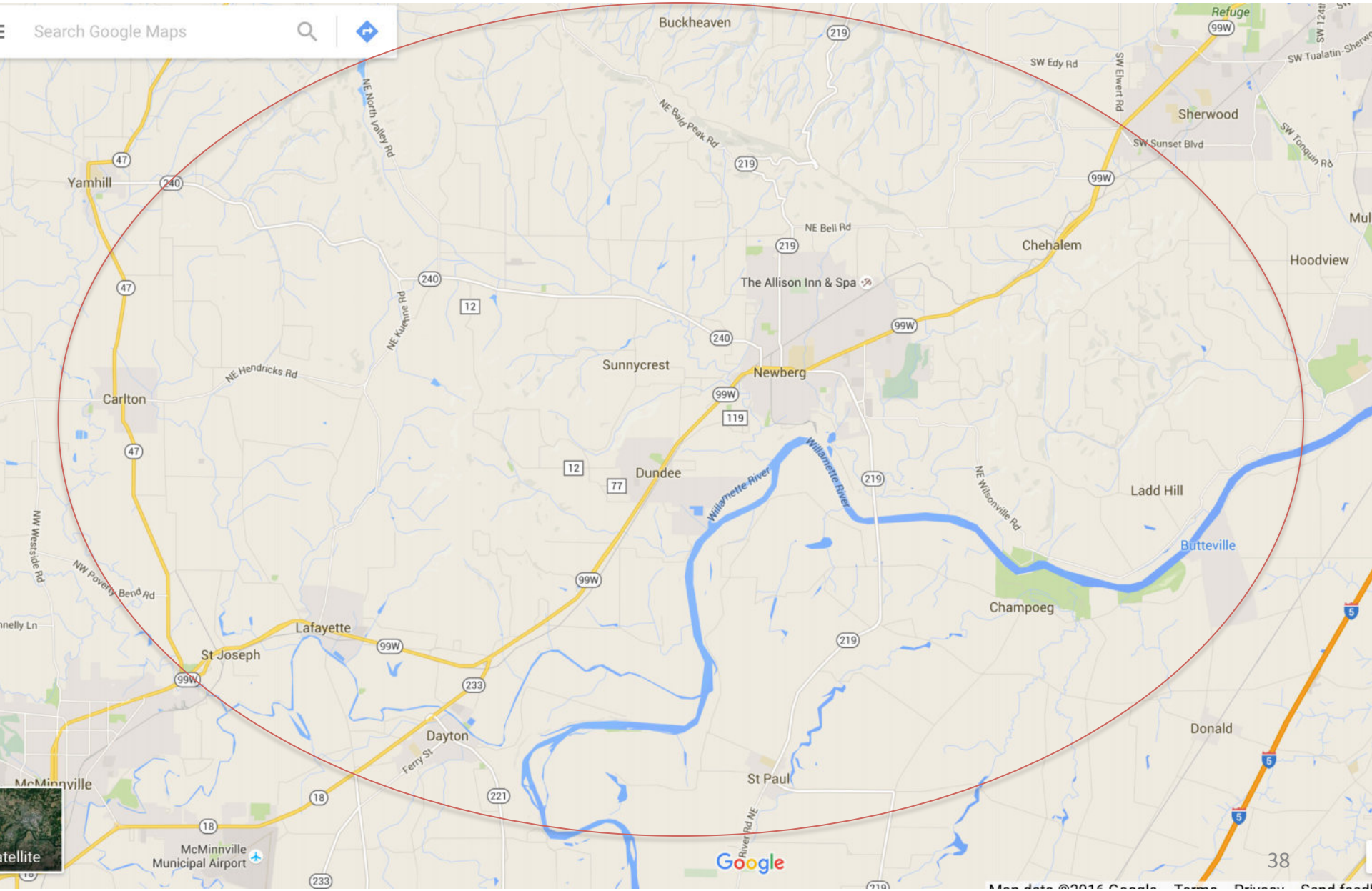
- The Newberg area already attracts this traveler to The Allison, & they tour the exceptional wineries nearby
- BUT downtown Newberg needs additional experiences that meet these traveler's desires: boutiques, more local restaurants (not chains), additional experiences (wine blending / cooking classes), robust arts scene

What we can do in the meantime:

- Develop & promote a very curated Newberg itinerary of specific experiences: E.g., The Painted Lady/Recipe/Ruddick Wood, Elements Art Gallery, Chehalem Cultural Center, Pulp & Circumstance, Valley Wine Merchants, Tasting Rooms, etc. & share through Allison front desk & in their channels

VISITOR COMMUNICATIONS LANDSCAPE

Newberg Hub & Spoke Model



Chamber Visitor Marketing Background

- The City of Newberg contracted with The Chehalem Valley Chamber (CVC) of Commerce to operate a visitor center for over 20 years. Visitor Center is staffed 7 days per week from Memorial Day - October 1st and 5 days/week. Serves 10,000 guests to VC/year.

- Scope of contract expanded to include a Marketing Services Contract when the funding was expanded in approximately 2007. $137,000 funds not only Visitor Center operations but Tourism Marketing as well.

- Currently the CVC has a Marketing Services Contract with The City of Newberg that will expire on June 30, 2020.

- CVC provides the City of Newberg an annual budget and marketing services plan annually.

- CVC has funded $228,481 in additional tourism marketing in the last 5 years. (providing leverage to the funds that the City provides)

2015-2016 Chehalem Valley Chamber Budget

REVENUE:

City of Newberg	$137,000.00
City of Dundee Contribution	$2,500.00
TOTAL REVENUES:	$139,500.00

EXPENSE:

Personnel	$62,000.00

CEO
Wine Education Center Manager
Office Administrator
Visitors Center – Seasonal Help
Benefits – Retirement
Taxes

Marketing	$40,000.00

Print Advertising
Online Advertising
Tourism Magazine – City Map
Willamette Valley Visitors Association – Co-op Ad Opportunities
Governor's Conference on Tourism – Oregon Destination Marketing Conference
First Friday Artwalk participation/Trolley Sponsorship
Camellia Festival Support and Trolley Sponsorship
Newberg Christmas Lights Seasonal Electricity
Event Marketing – Camellia Festival, Tunes on Tuesday, Brews & BBQ
Website Modifications
Travel Yamhill Valley – Membership
Travel Oregon Co-op Advertising Opportunities
Travel Portland Magazine
Familiarization Tour Expenses
Contingency marketing dollars set-aside for unique opportunities

Shared Expenses	$47,979.00

Calculated as 1/3 of overhead in Chamber Budget applicable to tourism includes: Dues/Subscriptions, Bank Fees, Insurance, Internet/Web Miscellaneous, Supplies, Postage, Leases, Printing, Rent, Capital Improvements, Repair/Maintenance, Telephone, Utilities, Professional Fees, Mileage

TOTAL EXPENSES:	$149,979.00
DIFFERENCE:	-$10,479.00

Chehalem Valley Chamber funds any negative balance per contract.

Chehalem Valley Chamber
Marketing Plan (see full marketing plan in appendix)

1. To increase visitor volume, visitor spending, and economic impact for the Chehalem Valley.

Objective & Strategies: Marketing & Public Relations – To increase visitor volume, visitor spending and economic impact for the Chehalem Valley by developing awareness and preference.

a. The Chehalem Valley Chamber will continue to advertise in regional/niche publications such as *Northwest Travel Magazine*, *Travel Portland*, and *Travel Oregon* publications to promote the Chehalem Valley as a tourist destination.

b. Create talking points or fact sheet for use when trying to increase editorial content through guidebooks and travel writers.

c. Leverage efforts of Travel Oregon and their contractors, to increase their knowledge of the Chehalem Valley product through personal research trips and communications.

d. Continue to develop process for hosting media for "familiarization tours," objective of obtaining minimum of six stories per year.

e. Pitch story ideas to appropriate leisure and travel trade publications for the Chehalem Valley.

f. The Chehalem Valley Chamber will engage in active prints and electronic promotions of the following annual events:

    a. The Newberg Camellia Festival
    b. Tunes on Tuesday
    c. The Old Fashioned Festival
    d. Brews & BBQ Event

g. Increase the number of website users by 20% by increasing social media presence and increasing website usability on mobile devices.

h. Continue use of Facebook, Twitter and Pinterest to promote the area.

i. Continue to survey visitors to acquire a better understanding of their travel habits so that we can improve the precision of our consumer marketing.

j. Maintain updated printed Collateral to support the objectives includes production of the Community Guide & Directory, The Chehalem Valley Field Guide, a Group travel brochure, A Wine Education Center brochure and the city/county map.

k. Maintain content–rich visitor information on the website. On the website visitors can access information on activities, events, restaurants and lodging.

2.

CVC Marketing Plan Cont'd.

2. Travel Trade Sales & Marketing – To increase leisure visitor volume, visitor spending and economic impact for the Chehalem Valley through the promotion and distribution of the Chehalem Valley's products to the travel trade.

3. Influence the long-term development of the destination and its brand.

4. Deliver a consistently remarkable customer service experience.

5. Foster high-value relationships with our stakeholders.

CVC Marketing Successes Past 5 Years

- Moved the Visitor Center back to Highway 99W – found private funding for a significant portion of remodel--more than doubled Visitor Center Foot Traffic. More than 10,000 visitors each year.

- Opened the Oregon Wine Education Center. Began booking independent wineries for tastings and speakers for interesting educational events that attract visitors.

- Awarded **Travel Oregon grant** to create the **Tasting Room Associate Hospitality Course** (TRAHC). The Chehalem Valley Chamber has trained over 100 current and prospective tasting room associates.

- Continued legacy of creating events to draw visitors. (**Tunes on Tuesday, Chehalem Valley Food Wine & Art Festival, Brews & BBQ etc.**)

- **Earned media coverage** of the greater Newberg area during the tenure of the last five years has exceeded **$3 Million dollars.**

- **Hosted in excess of 100 members of the media and travel industry**. Conduct tours; provide content for articles, source area photography, lodging, meals and activities.

- Promotes City of Newberg in print publications such as: NW Travel Magazine, Travel Portland Visitor Guide, Travel Oregon Visitor Guide, the Oregon Festival & Events Guide and more.

CVC Marketing Successes Past 5 Years

- Completed website re-fresh with expanded tourism information and more expansive events listings.
- Worked in collaboration with The Allison to create a "Group Travel" marketing brochure.
- Produced the **Chehalem Valley Field Guide** tourism magazine with distribution of 1**9,000**.
- Publish the City of Newberg & Dundee City Map
- Worked for the last 11 years to **create relationships with Travel Yamhill Valley, Willamette Valley Visitors Association and Travel Oregon** to provide ongoing content for their websites and publications. The Chamber has served as a strong advocate for the Newberg area.
- Chehalem Valley Chamber **recruited the Oregon Truffle Festival** which resulted in over 850 visitors in its 1st & 2nd year.
- The Chehalem Valley Chamber **recruited the 2017 American Camellia Society Conference** which will result in over 100 visitors in April 2017.
- "More Smiles" Community customer service training.
- CVC working closely with the City of Newberg to identify and **recruit a new lodging partner** to Newberg

THE CHEHALEM VALLEY *Field* GUIDE

A POCKET MANUAL FOR IDENTIFYING FERMENTED AND EPICUREAN ADVENTURES

2015-2016

MORE THINGS
chehalemvalley.com

INDOOR *Activities*

1. Newberg's First Friday
2. Annual April Camellia Festival
3. Chehalem Cultural Center & Art Elements art openings
4. Coffee cupping at Caravan Coffee every Friday morning
5. Amazing free concerts offered by George Fox University / georgefox.edu

OUTDOOR *Events*

1. Play disc golf at Hoover Park
2. Stop and smell the roses at Heirloom Rose Gardens
3. Oregon olive oil tasting at the Oregon Olive Mill
4. Launch your kayak, canoe or rubber raft at the Chehalem Paddle Launch
5. Bicycle at Champoeg Park; bike to Butteville
6. Sherwood wildlife viewing area
7. Visit the world-class Chehalem BMX Track & Skatepark / cprdnewberg.org
8. Stroll down walking trails / cprdnewberg.org
9. Enjoy a picnic and photography at one of 200 area vineyards
10. Skip rocks at Rogers Landing on the Willamette River

4

ALMOST *Anytime*

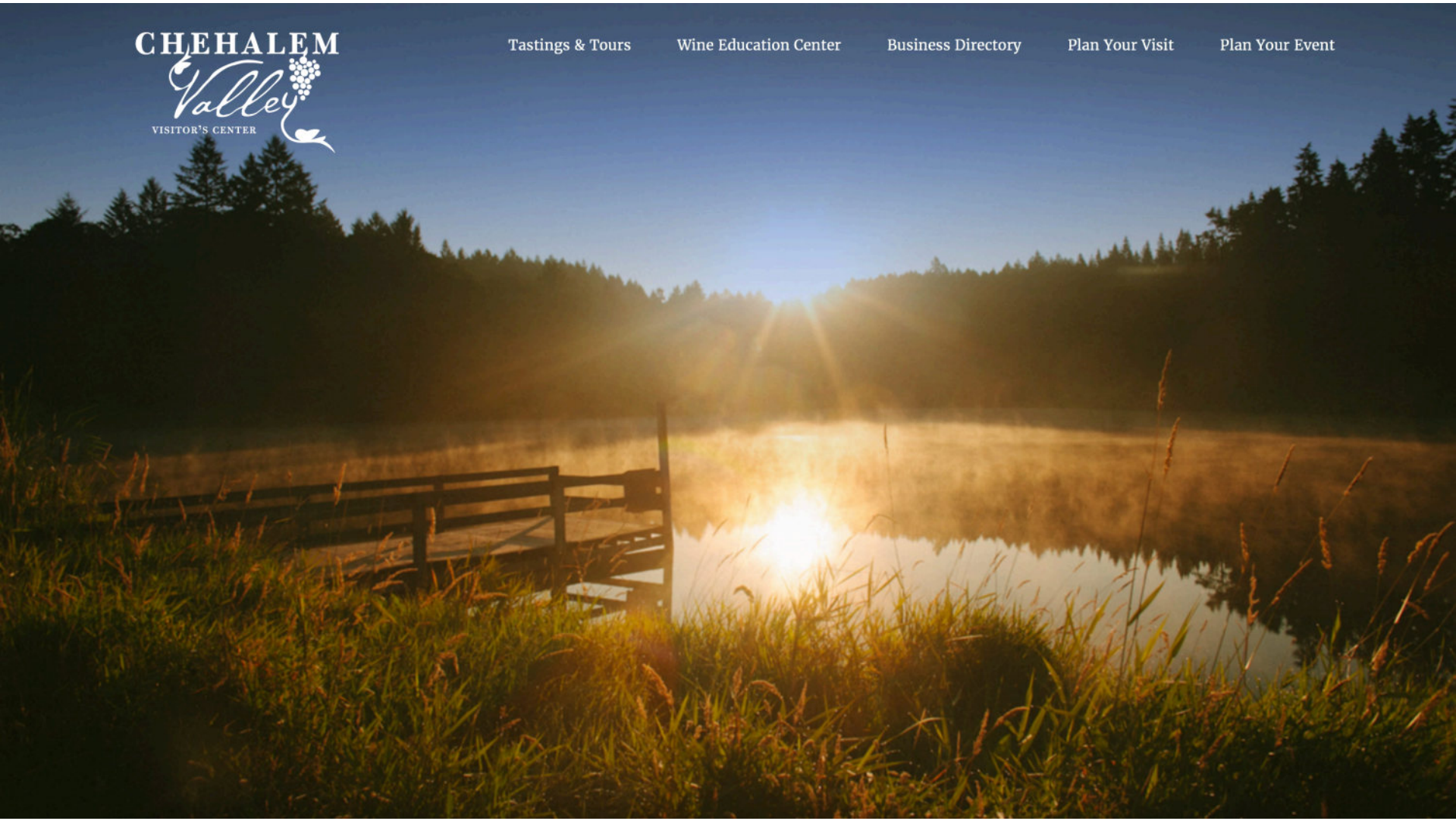
1. Browse books and magazines at the Newberg Library
2. Visit the Chehalem Cultural Center
3. Olive oil tasting at the Oregon Olive Mill
4. Learn the history of winemaking in Yamhill County at the Oregon Wine Education Center in the Visitor's Center
5. Shop First Street in Newberg
6. Visit the fenced-in dog park
7. Check out the Champoeg Visitor Center
8. Pet the llamas at Rain Dance

25 *Free things to do*

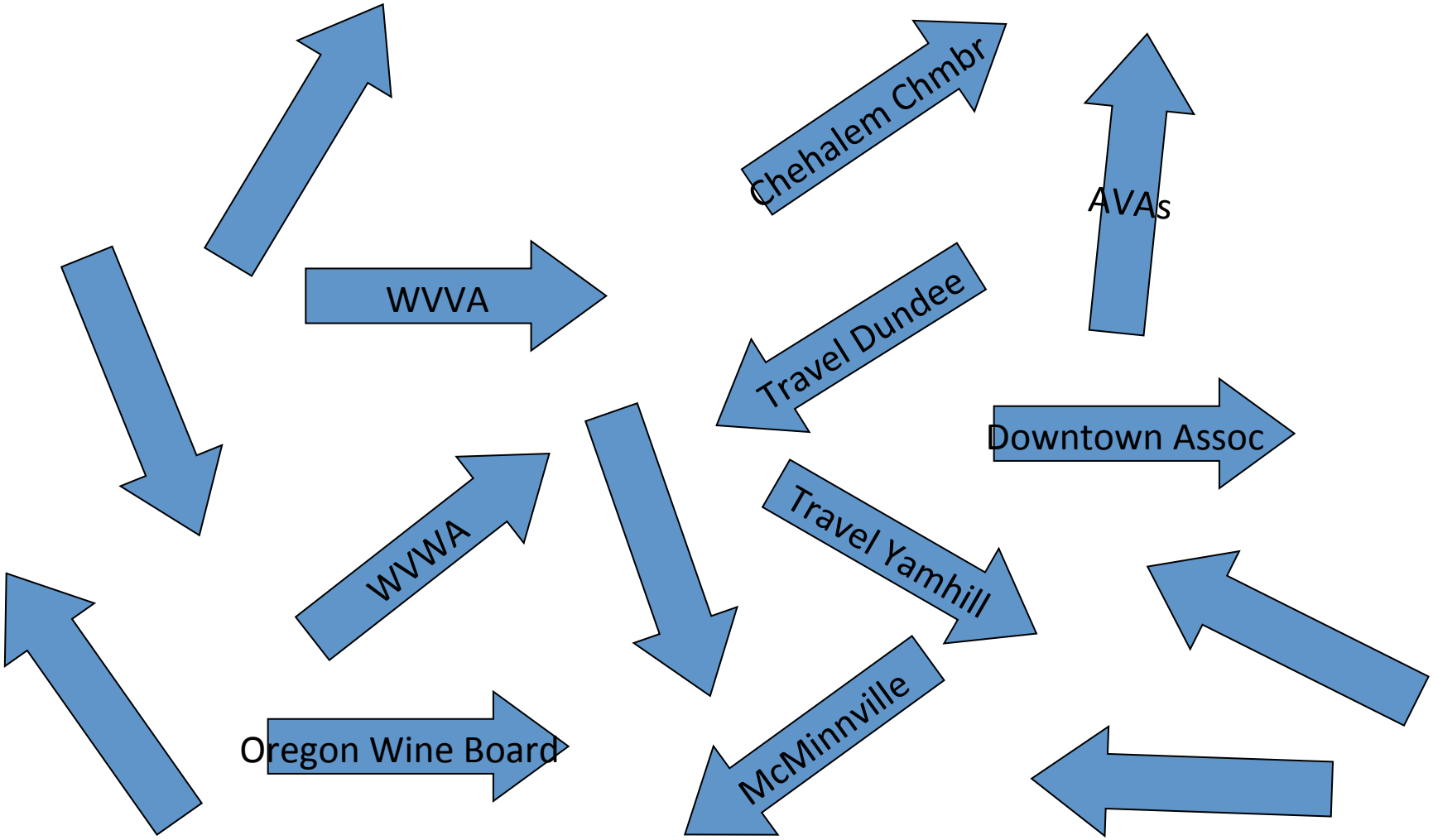
OUTDOOR *Events*

1. Memorial Day Power Boat Races at Rogers Landing
2. Farmer's Market Entertainment on Wednesdays
3. Tunes on Tuesday (July 14 through August 25)
4. July Old Fashioned Festival Parade & Entertainment Stage
5. Newberg Historic Homes Walking Tour

5

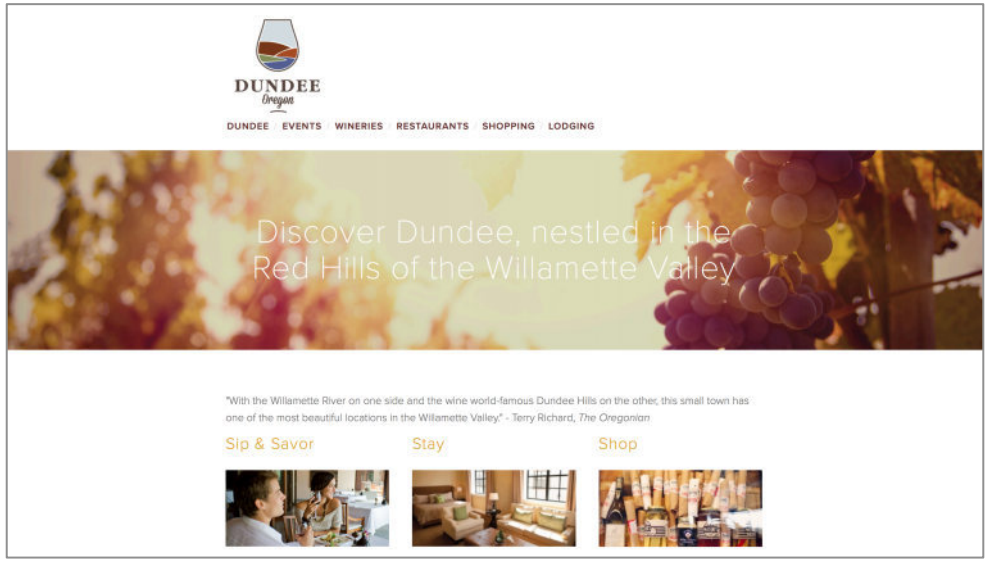

CHEHALEM
Valley
VISITOR'S CENTER
Tastings & Tours
Wine Education Center
Business Directory
Plan Your Visit
Plan Your Event

We've Created a Chaotic Visitor Information Network



The Following Organizations each Publish Guides, Maps and Websites & Social media to Promote this Area

- Chehalem Valley Chamber (Newberg Chamber)
- Willamette Valley Wineries Association
- Travel Yamhill
- Visit Dundee
- Visit McMinnville
- Downtown Associations
- Willamette Valley Visitors Association
- North Willamette Vintners
- AVA Associations
- Oregon Wine Board
- And more….



Travel Dundee, Travel Yamhill Valley and Visit McMinnville websites

Willamette Valley Visitors Association (Regional DMO – Destination Marketing Organization)

Willamette Valley Wineries Association – largest winery association in the state

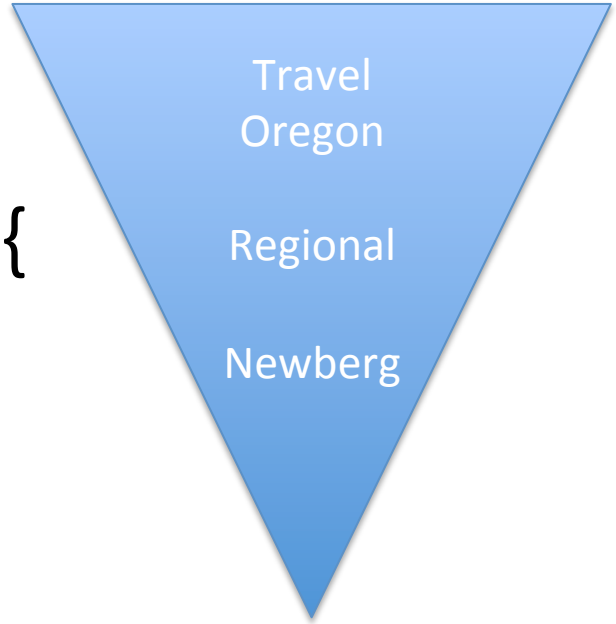
We are making it hard for our visitors to figure out how to visit the area

- No common messaging
- No shared events calendar or information source
- No consistent itineraries
- Confusing! What's Chehalem Valley? North Willamette Valley? Newberg? Yamhill County? Not to mention the AVAs

Most Effective Approach

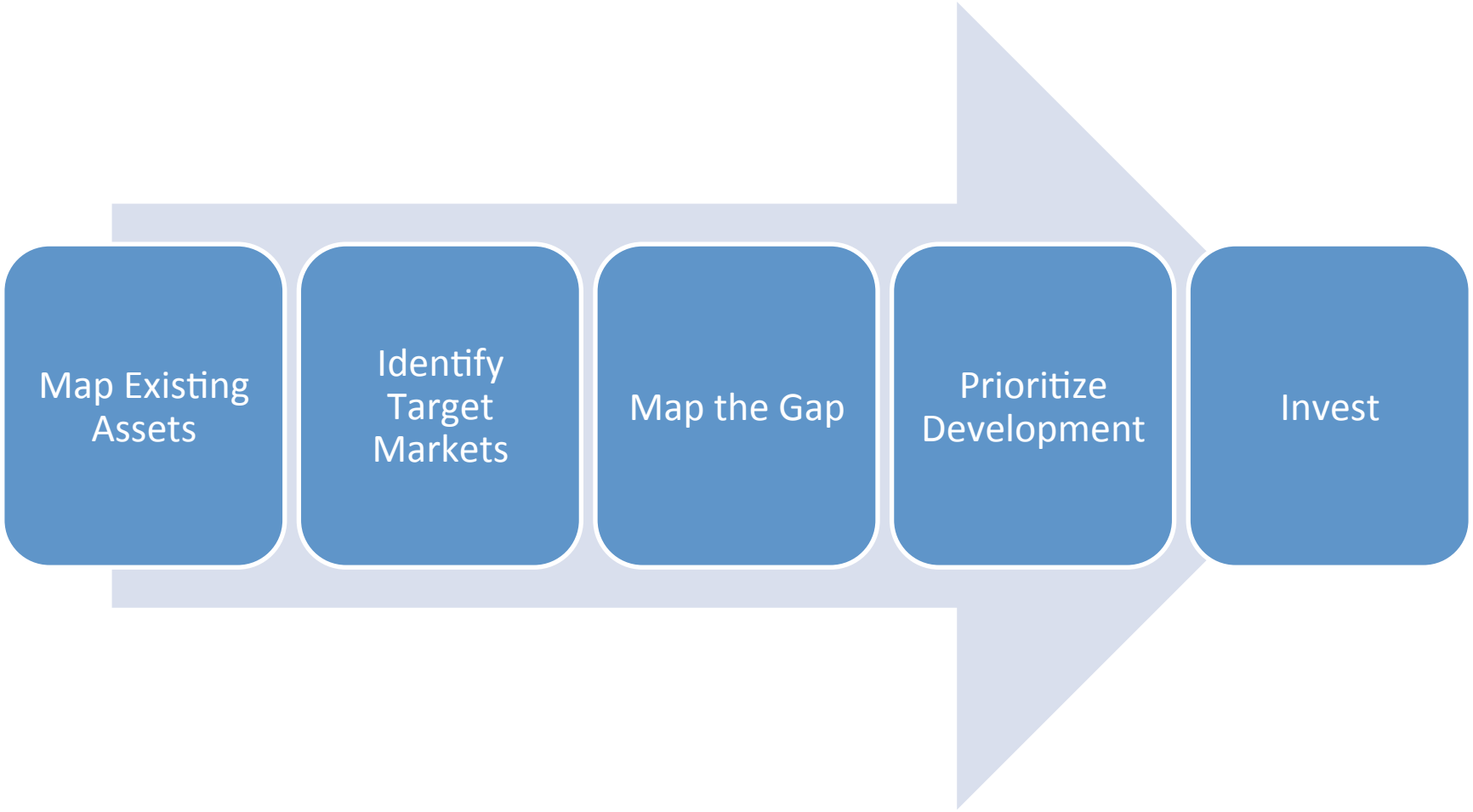
- Travel Oregon gets visitors to the state $$$
- A Strong Regional association attracts visitors to this area $$
- Local towns (including Newberg) lure visitors to your town $

Message Alignment {



DESTINATION DEVELOPMENT

DESTINATION DEVELOPMENT PROCESS



DESTINATION DEVELOPMENT SWOT

Strengths

- Wine country cache
- Community of makers – artists, brewers, wine makers, cultural center
- The Allison – market knowledge, growth, high value clientele, community engagement
- Already attracting luxury travelers
- Proximity to urban centers
- 200 + wineries within 1 hour

Weaknesses

- Historic perception of Newberg as "drive through – nothing to stop for"
- 99W
- Lack of lodging inventory
- Lack of safe cycling infrastructure
- Lack of cycling and outfitting companies
- Lack of partnerships – geographic and industry
- Restaurants – chef driven farm to table restaurants

Opportunities

- Alternative lodging
- Mid-tier, independent hotel recruitment
- Outdoor rec meets makers
- Willamette River access
- Connecting trails to wine country and downtown
- Cycling – connecting to WV Scenic Bikeway / Parrot Mt trails
- Bypass alleviating downtown congestion

Threats

- Workforce/labor – capacity, housing
- Downtown vacancies
- Variance in federal funding for needed infrastructure improvements (downtown)
- Corporate purchase and consolidation
- Rapid development could jeopardize character
- Confusion around destination brand and champions

DESTINATION DEVELOPMENT

Goal

Newberg is a thriving wine country destination known for its culture of makers, producers, and entrepreneurs, with a downtown that matches the allure of surrounding countryside.

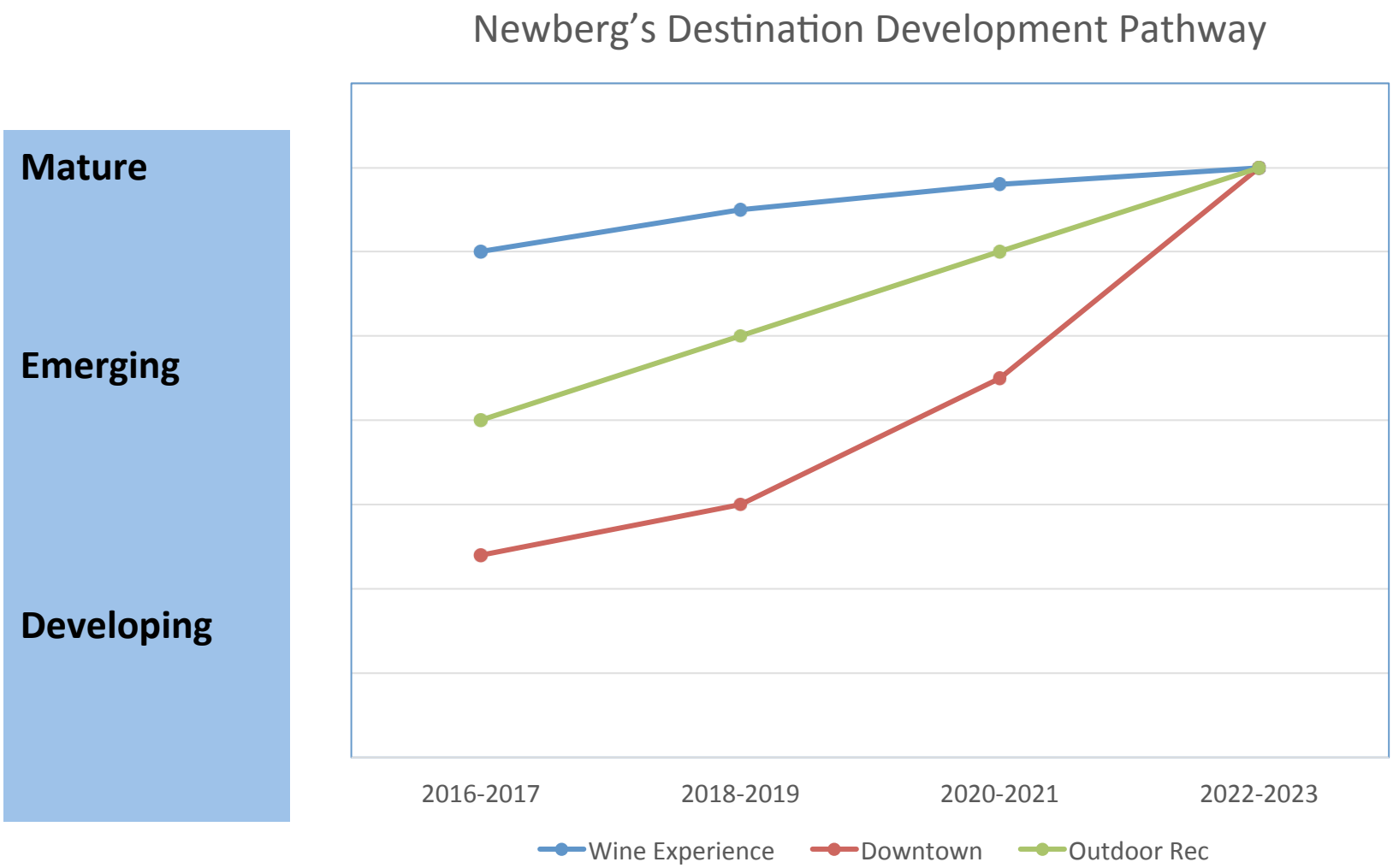
It's a vibrant home base for wine country/ culinary and soft adventure travel.

DESTINATION DEVELOPMENT

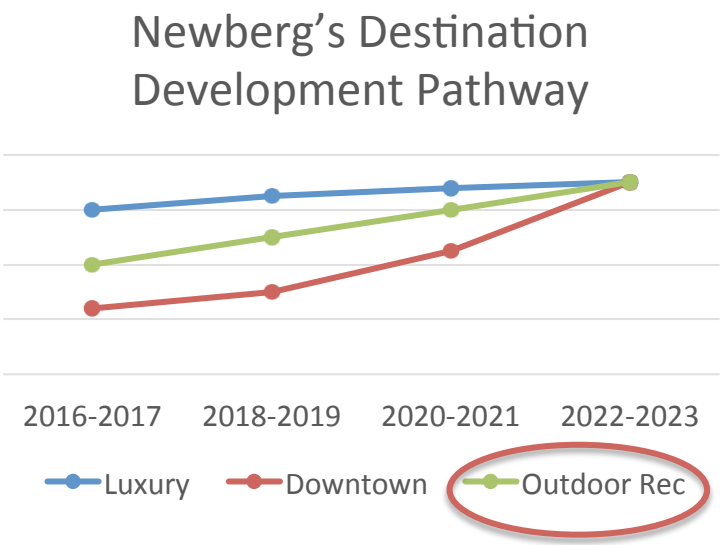
Newberg: A Tale of Two Cities

Breathtaking rural countryside/wine country right outside of Newberg

Hyper commercial approach to downtown Newberg, then a downtown with mix of some nice retail & restaurants, BUT also vacancies, car lots & misc. businesses – some rundown


Newberg's Destination Development Pathway
Mature
Emerging
Developing
2016-2017
2018-2019
2020-2021
2022-2023
Wine Experience
Downtown
Outdoor Rec

OUTDOOR RECREATION



Phase 1

- Route connector from WV Scenic Bikeway & wayfinding
- Invest in 300 acres of Parrett Mtn. trail development
- Connect trails from Parrett Mtn. to downtown and tourism assets
- Invest in Chehalem Heritage Trails
- Build alternative lodging network (e.g., airbnb)

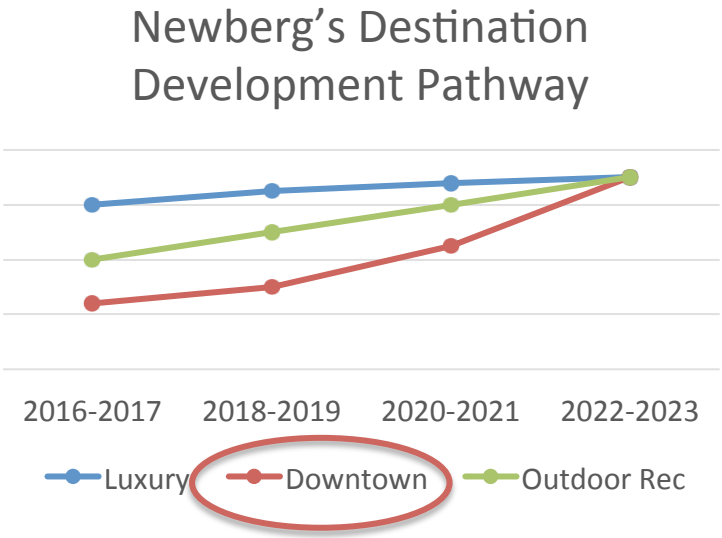
Phase 2

- Recruit bike shop
- Recruit/enable water sport rentals
- Build out access to Rogers Landing, landfill and Ewing Young Park

Phase 3

- Paddle launch infrastructure on waterfront
- Newberg-Dundee paddle launch connector
- Campsites at Chehalem Nature Park near 219 & Willamette River

DOWNTOWN DEVELOPMENT



Phase 1

- Façade improvement program
- Visitor friendly permitting (e.g., sidewalk cafes, rooftop bars)
- Visitor friendly zoning (e.g., 3 lanes to 2, broader sidewalks, bike lanes, cross walks)
- Business incentives & recruitment
- Public art & Cultural Center investments
- Bypass completion
- Build alternative lodging network (e.g., airbnb)

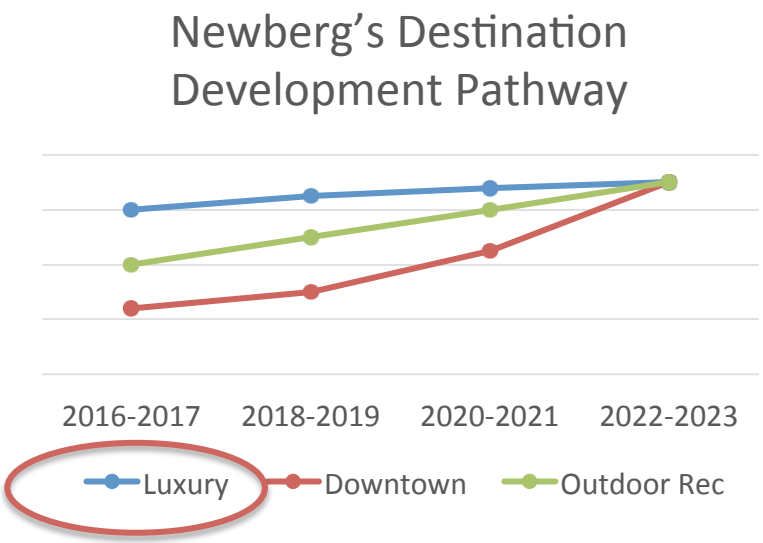
Phase 2

- Boutique shop recruitment
- Wayfinding
- Begin 1st St. redevelopment
- Bike lanes
- Hancock St reinvention
- Upper/mid independent hotel – needs to be top priority (80 rooms; avg. $150/night)

Phase 3

- Emerging toward Willamette
- Private sector rides the wave

Downtown Improvement Plan / "Big Ideas" / America's Best Community Plan



WINE COUNTRY LUXURY

Phase 1

- Recruit chef driven restaurants (high quality, but doesn't need to be high priced)
- Recruit boutique shopping
- Cooking classes & maker events
- Cultural center classes for visitors

Phase 2

- See Downtown Development
- Cultural Center / Theater development

Phase 3

See Downtown Development

Newberg Downtown Improvement Plan

1. Downtown will be a ***vibrant, inviting, and fun destination*** for those coming from near and far
2. Downtown streets will be ***pedestrian-friendly and safe*** for all modes of transportation
3. Downtown will be the ***center for public life*** - a place to shop, work, visit, gather and play
4. Downtown will have **increased density**, a ***diverse mix of businesses*** and a ***broad range of places in which to live***
5. Downtown will be ***easy to navigate*** through attractive, effective signage and ***physical connections*** between activity centers and districts
6. Downtown will have a variety of ***easy-to-find parking*** options
7. New development and redevelopment will ***complement older and historic buildings***
8. Downtown will be "people-oriented" with attractive, comfortable, and functional ***amenities or public uses on the sidewalk*** or in other right of way
9. Downtown will build upon Newberg's ***strong community spirit***, and ***incorporate public art*** reflecting the local character
10. Downtown will have the appropriate type and level of infrastructure to support the envisioned future type, mix and intensity of uses

Newberg's Economic Development Strategy

2.1 Revitalization for Downtown Newberg

2.2 Retain Existing Commercial/Retail Businesses in Newberg

2.3 Redevelop Vacant and Underutilized Commercial/Retail Sites

2.6 Support Creation of New Retail/Commercial Businesses

3.1 Foster Entrepreneurial Business Formation and Growth

3.2 Establish an Innovation Accelerator

3.3 Buy Local Campaign

3.4 Enhance Business Mix in Downtown Newberg

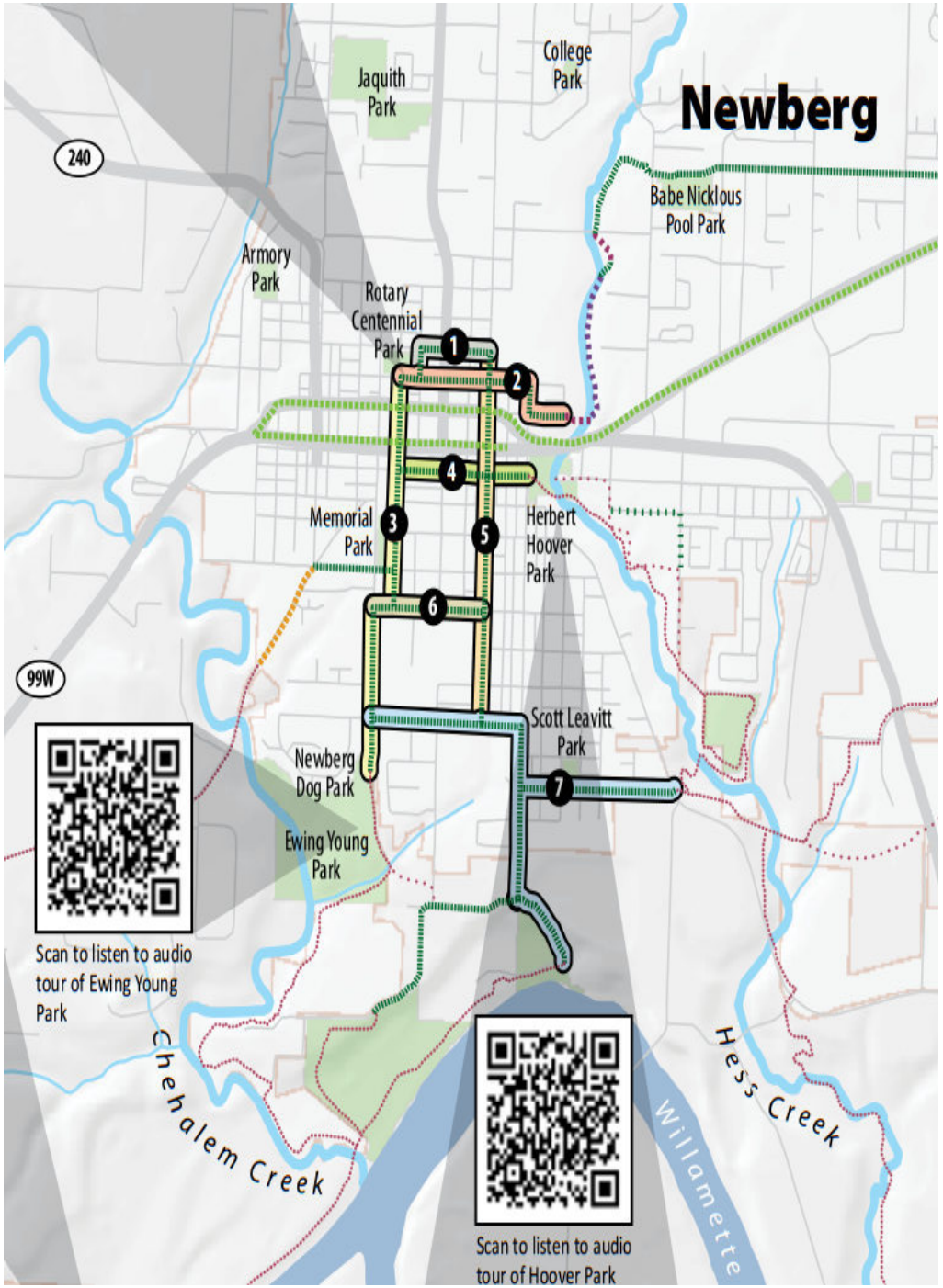
3.5 Workforce Development

3.8 Business Financing Program

4.1 Increase Tourist/Visitor Counts In Newberg

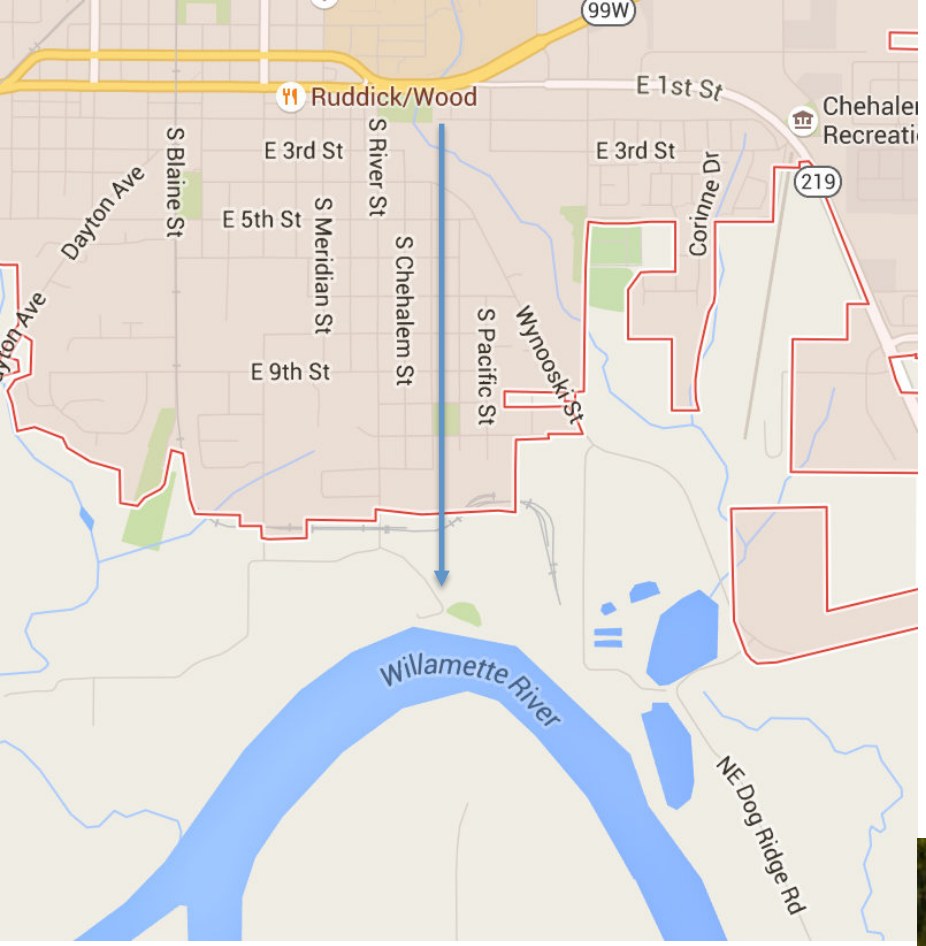
4.2 Support and Expand Events that Increase Activity in Downtown Newberg Year Around

4.3	Transient Lodging Tax Program
Actions	1. Establish transient lodging tax workgroup on uses of Transient Lodging Tax.
	2. Engage consultant to develop a comprehensive Tourism Action Plan that encompasses the existing Visitor Center as well as new marketing initiatives funded by the 2014 increases in Transient Lodging Tax.


Newberg
College Park
Jaquith Park
240
Babe Nicklous Pool Park
Armory Park
Rotary Centennial Park
1
2
4
Memorial Park
3
5
Herbert Hoover Park
6
99W
Scott Leavitt Park
7
Newberg Dog Park
Ewing Young Park
Scan to listen to audio tour of Ewing Young Park
Chehalem Creek
Scan to listen to audio tour of Hoover Park
Willamette
Hess Creek

Implementing these strategies will result in:

- Increase spend
- Stay another day
- Increase shoulder and off season travel
- Experiences that build Newberg's cache as a haven for makers and connoisseurs
- Drive downtown traffic (and bike traffic) and spend
- Make Newberg more wonderful for people who live there
- Increase businesses related to these industries (veritcal wine industry integration, suppliers to makers, etc.)



MOON SHOT: RIVER TOWN

What: Downtown Newberg is connected to the Willamette River. Downtown evolves south. Retail, restaurants, bike lanes & sidewalks encourage river to downtown flow.

River access is enhanced. Public space improvements include riparian enhancements, outdoor event space, possible campsites.

Why: Outdoor recreation meets wine country. Unique combination of experiences that appeal to high value market, proximity to downtown and increased spend. Significant lack of water recreation near urban centers.

Partners:

- Chehalem PRD
- Rental/Operator
- Yamhill County
- Oregon State Parks

MOON SHOT: MAKERS/CULTURE/MUSIC FESTIVAL

Whatever happened to the Champoeg amphitheater?

For a five-year stretch in the 1990s, the open air amphitheater on the west side of Champoeg State Heritage Area was a prominent part of the park's summer programming. Origina

NEWBERGGRAPHIC.COM

What: A signature event that showcases Newberg's makers culture, and capitalizes on the booming music festival scene while building a destination brand.

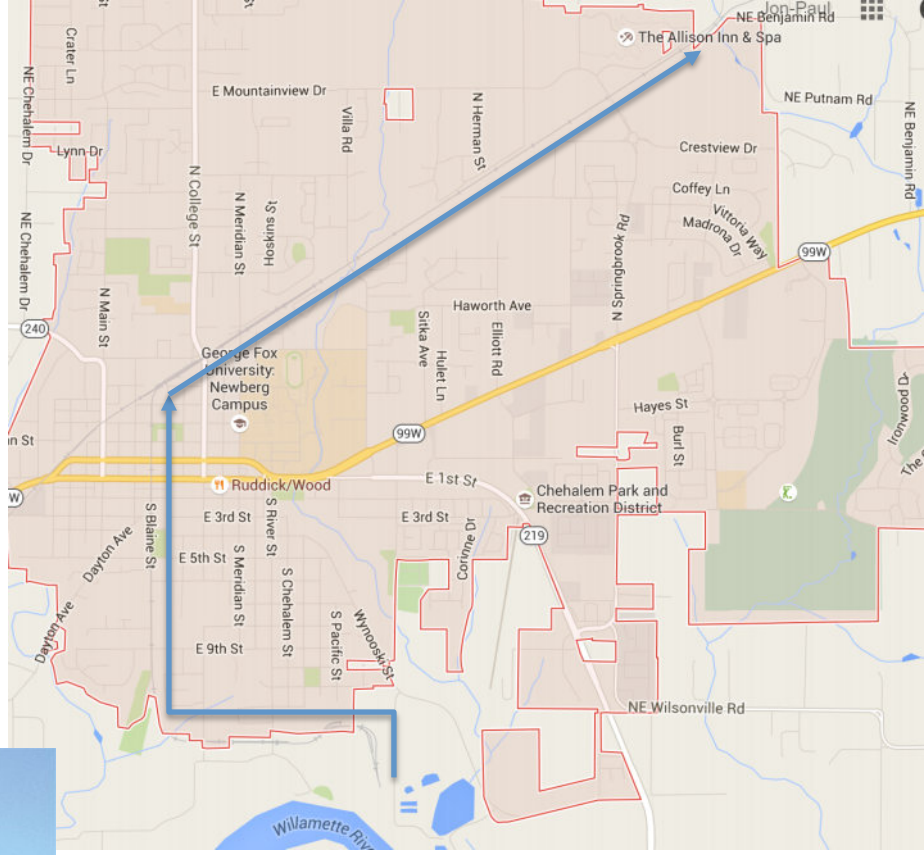
Champoeg State Park and local hotels host overnight visitors. Tasting and making classes, hosted by local brewers, winemakers, chefs and artists, spread attendees out throughout the park and city. The festivals growth parallels Newberg's maturation as a destination, and cements its reputation as the makers destination.

MOON SHOT: PASSENGER TROLLEY

What: A passenger trolley connecting The Allison, Vineyards, downtown and waterfront

Why: Unique asset, elevate in-destination transportation, curate experience, avoid congestion

Comp: Trolley Line in Astoria



ASTORIA
OLD RIVERFRONT TROLLEY 300

MOON SHOT: REINVENT THE OLD MILL SITE

What: A mixed use development that connects locals and visitors to the Willamette River. The development turns a liability into a centerpiece of sustainability, culture, outdoor recreation, events, and serves as a public square.

Comps:

- Torpedo factory, in Alexandria, Va. Redeveloped in 1983.
- Oregon City, OR, Pelican Site including Riverwalk and potential whitewater center, which will create a roadmap, and create demand.

What problem are we solving?

- Can you fill the visitor's day(s)?
- What can the visitor access?
- Are you maximizing visitor's value?
- What makes Newberg unique?

What Happens Next?

Destination Tourism – Successful Approaches

- 3 - 3 - Sleep
  - Encourages visitors to build their days around breakfast/activity/lunch/activity/dinner/activity – overnight
- 10 - 10 - 10 after 5
  - A successful visitor destination should have 10 unique eateries (bakery, café, restaurants, wine tasting rooms), 10 unique retail shops; 10 of those establishments from both categories need to be open after 5 pm

Destination Development & Marketing Strategy

Newberg will invest TLT funding in **DESTINATION DEVELOPMENT** projects that enhance the destination, particularly those that create unique wine country/culinary tourism-oriented experiences and links to outdoor recreation. Much work needs to be done before the City of Newberg is competitive as a stand-alone wine country destination: downtown renovation, recruitment of an upper/mid tier lodging property, more restaurants, shopping, signage and wayfinding, to name a few.

Newberg is uniquely positioned to appeal to visitors interested in experiencing wine country and outdoor recreation experiences, or wine country and creative arts. While the foundation for outdoor recreation and arts experiences exists, **they are still only about 80% ready for a quality visitor experience**. TLT funds should be focused on creating experiences that complete the 20% - connecting wine country to outdoor recreation, and arts experiences. Once these types of experiences are refined, TLT funds should be awarded through a granting program that aligns with the destination development strategy.

From a **DESTINATION MARKETING** standpoint, Newberg should focus on growing their marketing efforts over time. Our recommendation is that destination development should be the primary focus of funding projects for 2016-2018; however, developing early, effective key marketing tools can be wins in activating & maximizing the spend of "low hanging fruit" audiences already coming to the area. Focus on your current strengths, then in a year or two, grow your marketing to attract new audiences when the destination is more developed.

(see slides 84-85 for timeline)

Framework

This framework guides decision making for TLT investments and aligns with criteria for project selection.

It promotes economic development encouraging visitors to:

- Stay another day
- Increase visitor spend
- Shoulder and off-season visitation
- *Create unique wine country experiences that distinguish Newberg from nearby destinations*

It prioritizes destination development and marketing that:

- Connect visitors to trails, parks, and the Willamette River
- Provides access to the Willamette River
- Promotes and provides access to the arts, especially experiential arts, i.e., cooking classes, cultural center classes
- Improves the downtown experience
- Builds foundational tools for destination marketing
  - Targets outdoor recreation and George Fox travelers

Guidelines for how TLT Dollars can be spent

The TLT tourism amount can be spent on one of 3 categories (ORS 320.300):

(7) **Tourism promotion** means any of the following activities:

(a) Advertising, publicizing or distributing information for the purpose of attracting and welcoming tourists;

(b) Conducting strategic planning and research necessary to stimulate future tourism development;

(c) Operating tourism promotion agencies; **and**

(d) Marketing special events and festivals designed to attract tourists.

(8) **Tourism promotion agency** includes:

(a) An incorporated nonprofit organization or governmental unit that is responsible for the tourism promotion of a destination on a year-round basis.

(b) A nonprofit entity that manages tourism-related economic development plans, programs and projects.

(c) A regional or statewide association that represents entities that rely on tourism-related business for more than 50 percent of their total income.

(9) **Tourism-related facility** means:

(a) A conference center, convention center or visitor information center; **and**

(b) Other improved real property that has a useful life of 10 or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.

Tourists are defined as follows:

10) **Tourist** means a person who, for business, pleasure, recreation or participation in events related to the arts, heritage or culture, travels from the community in which that person is a resident to a different community that is separate, distinct from and unrelated to the persons community of residence, and that trip:

(a) Requires the person to travel more than 50 miles from the community of residence; **or**

(b) Includes an overnight stay.

See further information from Newberg City Attorney, Truman Stone, in this plan's appendix

Framework

Destination Development: Decision making framework TLT investment strategy

TLT Investment Framework	Yes/No	Notes
Align with TLT regulations		
Promote or create experiences for: - Outdoor recreation visitor - Experiential arts - Wayfinding - Downtown enhancement (years 5+)		
Appeals to designated audiences in tourism plan		
The project will create or enhance an experience for shoulder or off-season visitors		
Is a priority for partner organization		
Builds on existing assets		
Leverages funding		

Criteria

Destination Development: Criteria for selecting destination development projects

	Weight	Score
Ratio at which TLT funds will be matched	Ratio	
Project will connect visitors to existing assets - strength of existing assets - strength of connecting asset		
Alignment with target market - Wine country adventurers - Millennial Explorers - George Fox visitors - Luxury Wine Traveler	(1-2 for each target audience) WCA ME GFV LWT	
Can be completed in 6-12 months	Yes 1/No 0	
Lasting impact and utility	(1-4)	

Criteria – Project EXAMPLE

Destination Development: Criteria for selecting destination development projects

EXAMPLE: Cultural Center Commercial Kitchen (22-18 = **greenlight**; 17-13 = **yellow**; 12 & below **red**/pass)

	Weight	Score
Ratio at which TLT funds will be matched	3:1	3
Project will connect visitors to existing assets - strength of existing assets - strength of connecting asset	 (1-4) (1-4)	 3 4
Alignment with target market - Wine country adventurers - Millennial Explorers - George Fox visitors - Luxury Wine Traveler	(1-2 for each target audience) WCA ME GFV LWT	 1 2 1 2
Can be completed in 6-12 months	Yes 1/No 0	1
Lasting impact and utility	(1-4)	4
Total Score		21

Budget Framework

Spend	Function	Cost
Marketing/Visitor Center	Audit	$137,548
Destination Manager	Fundraising, collaboration, partnership building	$100,000
Operating costs		Included in CV Chamber contract
Destination Development	80% -> Visitor ready	$122,069

Projected TLT Revenues

City of Newberg
Transient Lodging Tax
Revenues and Uses Analysis
Prepared May 5, 2016

	Budget		Projections			
	2015-16	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**
Gross Operator Receipts	11,423,248	11,994,410	12,354,242	12,724,869	13,106,615	13,499,813
Year over Year % growth	*11.079%*	*5%*	*3%*	*3%*	*3%*	*3%*
Net City Receipts **						
6% tax	651,125	683,681	704,192	725,318	747,077	769,489
3% tax	325,563	341,841	352,096	362,659	373,539	384,745
	976,688	1,025,522	1,056,288	1,087,977	1,120,616	1,154,234
Required Tourism Spending						
17.60%	114,598	120,328	123,938	127,656	131,486	135,430
70%	227,894	239,289	246,467	253,861	261,477	269,322
	342,492	359,617	370,405	381,517	392,963	404,752
Beginning Cash Balance 16/17	-	157,113				
Interest Earnings	1,621	2,564				
Total Available for Tourism 16/17		519,294				
Uses						
Visitor Center ***	137,000	137,548	141,674	145,924	150,302	154,811
TLT Plan	50,000					
Unallocated Tourism Activity	157,113	381,746	228,731	235,593	242,661	249,941
City Services	634,196	665,905	685,883	706,460	727,653	749,482
	978,309	1,185,199	1,056,288	1,087,977	1,120,616	1,154,234

** City Tax is applied to Gross Operator Receipts. Operators are allowed to retain 5% of that tax and submit 95% of the tax to the City.

*** 0.4% CPI-W for 2016-17 (actual figure) and assumed 3% CPI-W 2017-18 through 2020-21 Visitor Center payments.

6/7/2016 - 10:15 AM

Example Budget Only – Not Recommendations – Demonstrates Using TLT Funds to Leverage Grants for Larger Projects

Destination Development	TLT Match	Partners	Fund development	Total
2016-17				
Commercial Kitchen	$25,000	Cultural Center, private foundation	$100,000	$125,000
Bathroom	$10,000	CPRD, Land & Water Conservation Fund, Systems Development Charges	$40,000	$50,000
Permanent paddle launch at Rogers Landing	$7,000	CPRD, Land & Water Conservation Fund, Systems Development Charges	$18,000	$25,000
Park development	$35,000	CPRD, Land & Water Conservation Fund, Systems Development Charges	$85,000	$100,000
Parrett Mt. trail connectors	$20,000	CPRD, Recreational Trails Program, FLAP funds	$80,000	$100,000
Festival seed funding	$10,069	Sponsorship	$54,931	$75,000
Front line staff training	$20,000	Private sector, ORLA	N/A	$20,000
Total	$122,069		$377,931	$495,000

Recommended Destination Marketing Priorities

ASSET INVENTORY

- Audit current marketing program, tactics, materials
- Confirm inventory of agritourism/culinary/adventure/arts assets
- Load into database/ORB/map the gaps

BUILD TOURISM NETWORK

- Hold Newberg Tourism Summit
- Hold broader Regional Tourism Summit
- Build network, share current marketing efforts, encourage alignment; Focus on Will. Valley Wineries Assoc. as key partner (due to recent funding infusion $500k+)

BUSINESS REFERRAL PROGRAM

- Train front line staff
- Increases local spend & length of stay
- 3-3-Sleep / 10-10, 10 after 5 (see slide 73)

COMMUNICA-TIONS AUDIT

- Are we sharing information aimed at meeting needs of our target audiences
- Audit current marketing program, tactics, materials to be on strategy, addressing target audiences
- Develop ONE events calendar
- Develop itineraries for 4 key audiences

DEVELOP BRAND

- Brand development recommended once product development is well underway/achieved
- Then develop brand guide, new creative and campaign

DESTINATION DEVELOPMENT & MARKETING STRATEGY TIMELINE

Bypass complete

Downtown redevelopment begins

2016-17

- Hire Tourism Director and appoint Tourism Board
- Board and tourism director develop work plans
- Map funding sources
- Fund park & paddle launch infrastructure on Willamette River at Rogers Landing
- Seed fund festival
- Fund commercial kitchen
- Fund trail connectors on Parrett Mt.
- Marketing/Communications Audit/visitor center
- Create itineraries
- Incorporate CPRD maps/ collateral
- Customer service quality & consistency training
- Business referral program

2017-18

- Create tourism alliance
- Inaugurate Chehalem Nature Park (near 219 & Willamette)
- Support paddle sport rental start up for Rogers Landing
- Connect Willamette Valley Scenic Bikeway to Parrett Mt. & Champoeg SP
- Grow festival, recruit influencers
- Fund landfill renovation + trails
- Begin wayfinding assessment
- Revise marketing strategy to reflect outdoor recreation & experiential arts
- Start alternative lodging network
- Recruit bike shop

2018-19

- Begin match funding for visitor friendly downtown streetscape (lamp posts, banners, benches, pocket gardens)
- Recruit farm to table restaurants
- Invest in infrastructure to increase flow to and from Willamette
- Rebrand Newberg to reflect maturing product
- Recruit upper/mid hotel

DESTINATION DEVELOPMENT & MARKETING STRATEGY TIMELINE

Old mill site redevelopment begins

Downtown redevelopment continues

2019-20

- Connect Willamette Valley Scenic Bikeway spur to downtown and river
- Implement signage and wayfinding plan

2020-21

- Begin work on trolley
- TLT appropriate investment in old mill site, i.e. paddle sports rental in retail space

2021-22

- Downtown arts festival
- Create network of wine country wine trails connecting to Newberg

ORGANIZATIONAL DEVELOPMENT

ORGANIZATIONAL DEVELOPMENT

Goal

Tourism industry leaders are empowered to guide TLT investments in a manner that will enhance or create product and marketing materials that serve their target audiences.

The tourism industry closely collaborates with CPRD, Chamber, Newberg City Council, Community Development office, Newberg Downtown Coalition, and others to catalyze major redevelopments and city-wide improvements.

ORGANIZATIONAL DEVELOPMENT

What

- 360 degree tourism industry representation
  - Self interest and skin in the game
- Safeguard from political swings
  - Independent organizational structure
- Strategic investments in development & marketing
  - Leverage funds in targeted strategies

Avoid: tactics over strategy, disputes on funding qualifications, pet projects

Enable: 4:1 leverage of TLT funds, consistent strategy, rising tide

ORGANIZATIONAL DEVELOPMENT

Recommendation

- City as TLT pass through
- Tourism Director whose primary role over first several years is to build coalitions/partnerships/and leverage existing TLT funds to bring in additional funds/grants to move work forward. Tourism Director would work with…
- Independent board with 9 seats for industry representatives
  - The Allison (x2), alternative lodging, restaurant, tasting room, vineyard, retail, cultural/arts, Chehalem Valley Chamber
- 3-5 Ex-officio seats
  - Chehalem Parks & Rec Dept, Newberg Community Development, Downtown Newberg Coalition, Carlton, Dundee, Yamhill Co, Newberg City Council member, wine associations
- Not a fee-based organization
- Strategic planning approval with input from city, downtown, wine industry, generators

ORGANIZATIONAL DEVELOPMENT

- Step 1:
  - City establishes protocols for the operation of an independent Tourism Board, including open meetings, public notice, board selection and membership, and annual reporting
  - Constitute Board
  - File articles of incorporation
  - Hire Tourism Director (Skillset: Coalition building, partnerships, fundraising, leadership)
  - Create work plan
  - Move Visitor Center contract to Tourism Board for oversight
  - Tourism and chamber are housed together; & that chamber director sits on Tourism Board and Tourism Director sits on Chamber Board

- Step 2:
  - Review current marketing efforts for alignment with strategies and audiences outlined in this plan
  - Assess Visitor Center operations and impact

- Step 3:
  - Informed decisions on marketing budget allocation and management
  - Align with regional partners - Will. Valley Wineries Association should be a key partner – they recently raised new funds ($500k +)

ORGANIZATIONAL DEVELOPMENT

Results

- Collaboration
- Leverage
- Expertise
- Consistency
- Safeguards
- Transparency

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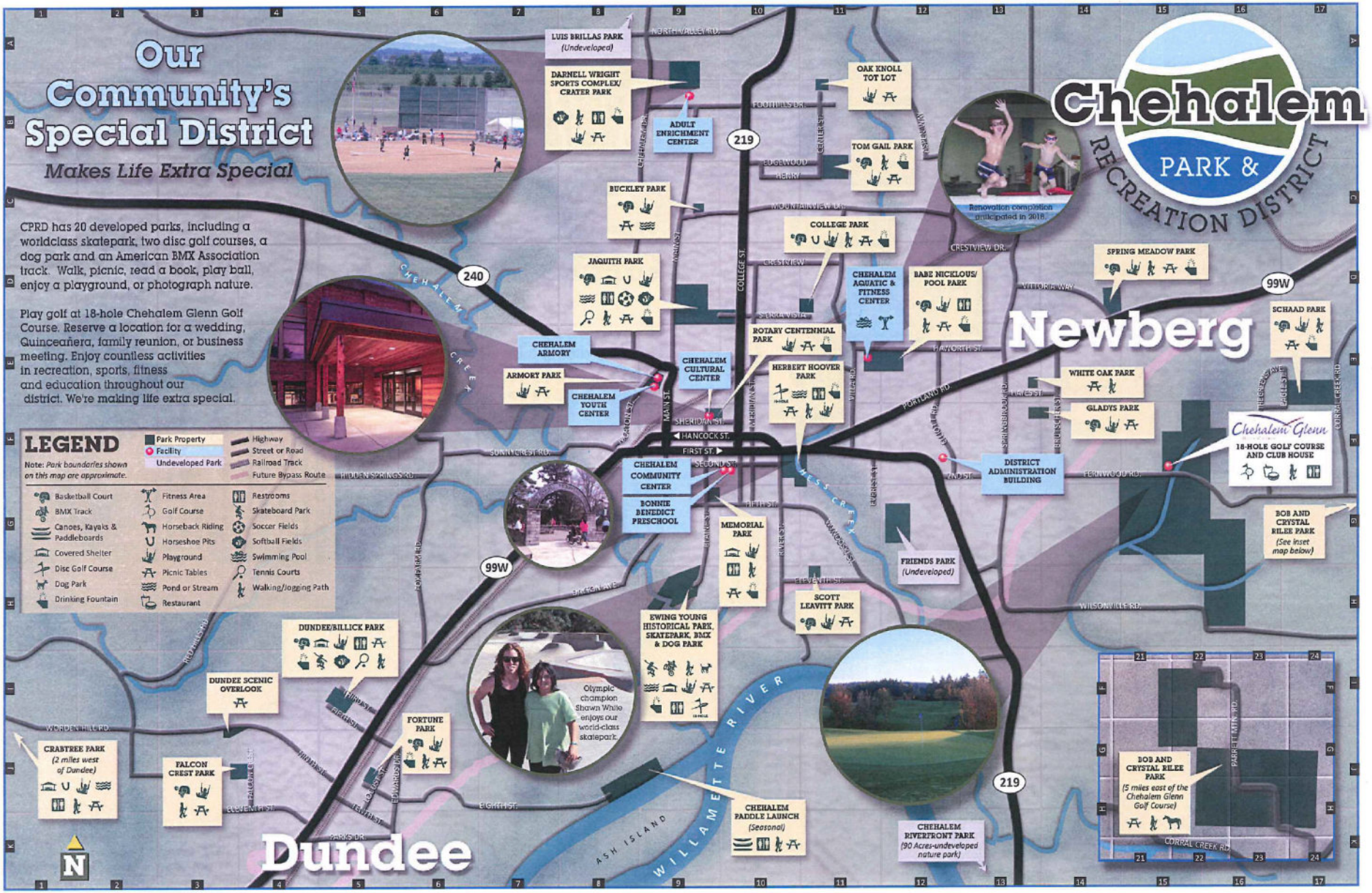
Appendix

Note: photographs in this plan cannot be used for other purposes or reproduced

Chehalem PRD Map



Chehalem Valley
Chamber Marketing Plan

Chehalem Valley Chamber Annual Marketing Plan 2015-2016

To increase visitor volume, visitor spending, and economic impact for the Chehalem Valley.

An effective destination development and marketing program benefits the quality of life for residents while attracting visitors and enhancing tourism. A healthy return on transient room tax investment leverages services, amenities, and activities that appeal to visitors and residents alike. Additional spending by visitors in local communities results in a positive economic impact.

Objective & Strategies: Marketing & Public Relations – To increase visitor volume, visitor spending and economic impact for the Chehalem Valley by developing awareness and preference.

The Chehalem Valley Chamber will continue to advertise in regional/niche publications such as *Northwest Travel Magazine*, *Travel Portland*, and *Travel Oregon* publications to promote the Chehalem Valley as a tourist destination.

Create talking points or fact sheet for use when trying to increase editorial content through guidebooks and travel writers.

Leverage efforts of Travel Oregon and their contractors, to increase their knowledge of the Chehalem Valley product through personal research trips and communications.

The Chehalem Valley Chamber will continue to develop a process for hosting media for "familiarization tours," the objective of obtaining a minimum of six stories per year.

Pitch story ideas to appropriate leisure and travel trade publications for the Chehalem Valley.

The Chehalem Valley Chamber will engage in active prints and electronic promotions of the following annual events:

The Newberg Camellia Festival
Tunes on Tuesday
The Old Fashioned Festival
Brews & BBQ Event

Increase the number of website users by 20% by increasing social media presence and increasing website usability on mobile devices.

Continue use of Facebook, Twitter and Pinterest to promote the area.

Continue to survey visitors to acquire a better understanding of their travel habits so that we can improve the precision of our consumer marketing.

Maintain updated printed Collateral to support the objectives includes production of the Community Guide & Directory, The Chehalem Valley Field Guide, a Group travel brochure, A Wine Education Center brochure and the city/county map.

Maintain content–rich visitor information on the website. On the website visitors can access information on activities, events, restaurants and lodging.

CONT'D. Travel Trade Sales & Marketing – To increase leisure visitor volume, visitor spending and economic impact for the Chehalem Valley through the promotion and distribution of the Chehalem Valley's products to the travel trade.

Actively seek opportunities to promote the Chehalem Valley through travel trade partners through the following methods:

- Quarterly presentation at the ODMO meetings on "What's New" in the Chehalem Valley.
- Quarterly "What's New" email to the Willamette Valley Visitors Association
- Continue to contact meeting planners for smaller organizations to solicit pre & post-convention trips to Chehalem Valley.

Influence the long-term development of the destination and its brand.

- Work with travel writers, editors, bloggers, online media and other influencers to generate beneficial media placements that will reinforce the brand.
- Produce high-quality publications including the Chehalem Valley Community Guide and the Chehalem Valley Field Guide in a manner that reinforces the destination brand.
- Working with community partners, made Newberg and the Chehalem Valley the best destination experience possible.
- Whenever possible, exert influence in community decision-making that impacts Newberg and the Chehalem Valley's quality of life and viability as a travel destination.
- Maintain visibility in community; represent the interests of local tourism on decision-making committees, task forces and work groups; and provide input, as needed.
- Provide demographic and research information to prospective tourism partners investigating the Chehalem Valley for new business.
- Assist with site location as requested.
- Develop additional exhibits, interactive programs, and educational opportunities for the public through the Oregon Wine Education Center.

Deliver a consistently remarkable customer service experience.

- Operate a year-round visitor center that serves over 10,000 guests per year.
- All CVCC staff and volunteers are fully trained in customer service, Chehalem Valley product knowledge and referral marketing.
- All frontline staff is Q certified within their first three months of employment.
- All frontline staff is trained to effectively serve the general visitor whether domestic or international.
- All frontline staff will offer visitor reservation assistance for the local area.
- Frontline staff participates in research trips to visit a wide variety of tourism destinations for increased product knowledge.
- Develop a community-wide hospitality training program. Training will be available to every business in the Chehalem Valley that would like to participate.
- Develop systems and metrics to monitor customer satisfaction and take positive action to improve the customer experience based on the feedback.

Foster high-value relationships with our stakeholders.

- Distribute quarterly Visitor Center reports to the Newberg City Council.
- Conduct two focus groups with tourism stakeholders each year.

How TLT Funds Can Be Used - Newberg City Attorney

Newberg City News Article
Written by: Truman Stone, City Attorney
June 2015

There has been discussion in the community about use of the Transient Lodging Tax revenue (TLT), including an editorial in the April 1, 2015 Newberg Graphic. This type of debate is evidence of a vibrant, active and involved community. Many good and creative ideas have been suggested. Use of TLT revenue is limited by state statute and the intent of this article is to explain TLT, explore state restrictions, and consider some proposed uses.

Transient lodging taxes are those taxes imposed on someone who provides temporary overnight lodging, typically hotels and motels, but also bed and breakfast facilities and short-term rental of apartments or residences. Under the Newberg Code, any stay under 30 days is subject to this tax. The customer owes the debt, but the obligation to collect the tax is placed on the business (the business receives compensation for collection of the tax). Newberg first enacted a TLT in 1976.

In 2003, the Oregon Legislature got into the lodging tax business when it imposed a 1% tax statewide, which is used to fund the Oregon Tourism Commission. That bill (HB2267) also imposed new limitations on Cities and Counties that collect TLT. For existing local lodging taxes, the State locked in a formula on how much of the receipts must be used for tourism; that is the formula the local government used on July 2, 2003. For new or expanded TLT amounts, the State requires 70% of the proceeds to be used for "tourism promotion or tourism related facilities." The statutory definitions are the key to understanding these limitations.

The State defines "tourism" as economic activity resulting from tourists and "tourists" as those folks traveling more than 50 miles or combining an overnight stay with their activity.

The definition of "**tourism promotion**" includes any of the following activities:

(a) Advertising, publicizing or distributing information for the purpose of attracting and welcoming tourists;
(b) Conducting strategic planning and research necessary to stimulate future tourism development;
(c) Operating tourism promotion agencies; and
(d) Marketing special events and festivals designed to attract tourists.

The State defines **"tourism-related facility"** as:

(a) a conference center, convention center or visitor information center; and
(b) other improved real property that has a useful life of 10 or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.

Conference, convention, and visitor information centers are also statutorily defined terms with specific meanings.

As you can see, there is no mention of streets, sidewalks, or parking lots, but an astute reader would deduce that these are improvements to real property with a useful life of 10 years or more, that might be included in subsection (b).

This question was presented in 2008 to the Attorney General by the head of the Oregon Tourism Commission. After extensive analysis, the Department of Justice stated:

In sum, the history shows that the legislature did not intend to categorically exclude roads, sewers, sewer plants, and other transportation facilities from the definition of "tourism- related facilities." If a specific road or sewer, etc., meets the criteria in ORS 320.300(9)(b), including having a substantial purpose of supporting tourism or accommodating tourist activities, it would qualify as a "tourism-related facility." But legislators cited only three very limited types of roads and sewers that might qualify: roads that provide access to natural and recreational facilities, other improvements to recreational facilities, which could include sewers, and a restroom in a park.

Cont'd next page

Those types of roads and sewers either are part of tourist attractions or directly serve them. In that sense, those facilities might "draw" tourists to the extent that the attraction itself draws tourists. No legislator stated any intent to include roads and sewers merely because they are used heavily by tourists. Consequently, the history suggests that the legislature may have intended local infrastructure such as roads and sewers to be "tourism-related facilities" only to the extent that they either are part of or directly serve tourist attractions. [emphasis added]

We conclude, based on the text, context and history of ORS 320.300(9) and ORS 320.350(5) and (6) that the legislature most likely intended local roads, sewers, sewer plants, and transportation facilities to qualify as "tourism-related facilities" only if they drew tourists in themselves, directly serve a specific tourist attraction (such as an access road), or are part of the infrastructure of a specific tourist attraction (such as a restroom and the on-site sewer line). The legislature most likely did not intend "tourism-related facilities" to encompass roads and other infrastructure simply because they are used, even heavily, by tourists as well as locals.

Given this analysis of the statutory restrictions and the intent of the legislature, what are we to conclude? While there is no bright line test, some general observations can be made.

First, using TLT tourism dedicated funds to repair sidewalks, install bulb outs, or place benches in the downtown would be a violation of law. Second, under the same analysis, the repair of the City Lot on Second Street [aka Merchant's Lot] with TLT tourism dedicated funds would also be a violation of law, since the lot is used primarily by downtown merchants or customers, tenants who live in downtown apartments, and City staff.

Installation of a public restroom might be a "tourism-related facility," depending on whether or not it was located adjacent to a specific tourist attraction.

TLT tourism dedicated funds are restricted in the way the funds are spent, but there is no requirement that funds be spent in any given year. If there is a community desire to build tourism-related facilities, then the TLT funds might be banked until there are sufficient funds to either partially or fully fund a facility. This would take a long-range vision and plan to implement.

There is no doubt that City infrastructure, both public and private, is in need of repair. However, the TLT tourism restricted funds are not legally available to address these needs. The City is working on a process to administer the TLT funds, which will give structure and ensure legal compliance in the expenditure of these amounts.

Grant Opportunities

FMPP Grant (NOTE if you go after this one this one– BE SURE TO TIE IN LOCAL FARMERS MARKETS)
https://www.ams.usda.gov/services/grants/fmpp
Typical deadline timing: May

Travel Oregon Matching Grant
Typical Deadline timing: May
http://industry.traveloregon.com/industry-resources/matching-grants-program/oregon-tourism-commission-matching-grants-program/

Rural Business Development
http://www.rd.usda.gov/programs-services/rural-business-development-grants

Wine Country LP Grants
http://industry.traveloregon.com/industry-resources/matching-grants-program/wine-license-plate-grant-program/

SBDA Grants