



Approved: November 17, 2010

NOTICE OF PUBLIC MEETING

TRANSIENT ROOM TAX TASK FORCE
City Hall
Willamette Room
Monday, October 18, 2010

MINUTES

CALL TO ORDER

Mayor Sharon Konopa called the meeting to order at 2:00 p.m.

Attendance: Mayor Sharon Konopa, Ralph Reid, Jr., Steve Terjeson, Oscar Hult, Randy Porter, Jimmie Lucht, Stewart Taylor, John Pascone, and Ed Hodney

APPROVAL OF MINUTES

MOTION: Jimmie Lucht made a motion to approve the minutes; Ralph seconded. All approved.

SCHEDULED BUSINESS

Discussion of State Law

Finance Director Stewart Taylor discussed the memo that was included in the agenda packet. He said that the purpose of the Series 1995 bonds was to help construct and equip the Linn County Fair & Expo Center.

Konopa said that her understanding is that if a local government adds or increases the transient room lodging tax, it would fall under the 70/30 percent rule. Taylor said that is correct. He said that the debt portion that we have would have no limitations on what it is used for. Councilor Ralph Reid asked if we are restricted by 2004 as a floor for the 40 percent. Stewart said that is correct. He said that it is okay to exceed the floor, but we must at least meet the 40 percent.

Steve Terjeson said that he agrees and he thinks the only thing that may need to be discussed is the actual percentage amounts. Taylor distributed a sheet explaining the Fairgrounds Revenue Bonds and the Economic Development Activities (see agenda file). Konopa asked if the numbers look correct for the Albany Downtown Association portion. Oscar Hult said that it looks correct to him. Terjeson asked if a rainy day fund could be created using these dollars. Stewart said that is correct.

Discussion of "Parking Lot" Parameters

Konopa said that there were questions regarding if we are focusing on the overall transient room tax fund or just the debt service portion only. Hult said that he thought it was regarding the debt service portion only. Taylor said that the Task Force is looking at the transient room tax fund as a whole. Terjeson said that he would like to add a contingency fund. Hult said that the ADA would like to continue to get funding. Taylor said that he would like to see a portion of the funds used for city events.

Discussion of "Parking Lot" List

Reid suggested using a percentage for each one of the programs. Konopa said that she agrees using percentages will be easier than assigning dollar amounts. Taylor said that we have to follow the limitations as shown in the 2004 budget. Taylor said that staff would like recommendations for the best use of the dollars.

Randy Porter said that the fairgrounds revenues in the last two years have stayed flat. He said that there really hasn't been any decline or growth. He said that February to May is the busiest time of year for the fairgrounds. He said that there has been \$800,000 in revenue for the last two years and that he expects to meet those numbers again this year. Konopa asked if there has been a reduction in conferences. Porter said that there has

been a slight reduction. He said that horseshows are still occurring, but the number of participants is down. He said that the more stalls that are sold, the more people there are onsite. He said that the dog shows have been pretty flat.

Porter said that the County usually has to pick up \$260,000 for fairground expenses. He said that the County is in the process of upgrading the wireless abilities at the fairgrounds. Konopa asked Porter if he is receiving feedback regarding the hotels and restaurant nearby. Porter said that he has had positive feedback about the available facilities.

Konopa suggested adding the trolley to the parking lot list. Porter said that funding the trolley's operation while it is in use would be good. Reid asked if there is any revenue coming in from events using the trolley. Driver cost associated for the trolley is what is being charged. Porter said that he and Jimmie Lucht talked about cooperative advertising and coming up with a strategy. Lucht said that they have talked about creating an application for cell phones. They have also talked about coming up with a brochure with events and activities for kids and families.

Porter said that the Fairgrounds spends 19 percent of their budget on advertising promotions. He said that TRT funds could be used to produce a marketing piece about utilizing the fairgrounds and the variety of activities around and in Albany. Konopa asked how much is spent on downtown events. Hult said that they try to get in-kind sponsors because they have very little money for events and advertising. He said that it would be wonderful to have an advertising budget.

Reid said that he would like to set aside 7-12 percent of the TRT funding for the airport. Terjeson said that he is thinking along the same lines but not necessarily specifying the funds for the airport, but instead calling it a contingency fund. He said that staff can use the funds as they see fit as needed and keep the funding levels at their current levels.

Ed Hodney said that the Art and Air Festival does not usually break even as far as costs go. He said that last year, 80 percent of costs were recovered with Parks & Recreation picking up the other 20 percent. He said that this fiscal year is looking the same due to lack of sponsorships. Hodney said that it costs about \$30,000-\$50,000 to subsidize the event. He said that approximately 40,000 people attended the event, and it is a significant economic driver. Hodney will bring back a detailed report at the next meeting.

Konopa asked the group if they would like to use some of the funds for a Fourth of July fireworks display show. Hodney said that there are several volunteer groups that would be available to help with a fireworks display show and that staff could put some costs together.

Lucht said that he would like to see some funds made available in the form of matching grants for funding of new events.

Hult said that he would like to see some funding made available for the Monteith House. He said that the west and south side of the house have been stripped and repainted and that the funds for that project came from CARA.

Taylor said that staff has received requests from community groups for fireworks funding and the Veterans' Day parade.

BUSINESS FROM THE TASK FORCE

None

NEXT MEETING DATE: Monday, November 15 at 2:00 p.m.

ADJOURNMENT

The meeting adjourned at 3:35 p.m.

Respectfully submitted,

Signature on file.

Diana Eilers
Administrative Assistant I

Reviewed by,

Signature on file.

Stewart Taylor
Finance Director