



## NOTICE OF PUBLIC MEETING

### TRANSIENT ROOM TAX TASK FORCE

City Hall

Willamette Room

Monday, November 15, 2010

2:00 p.m.

### AGENDA

1. CALL TO ORDER (Mayor Sharon Konopa)
2. ROLL CALL
3. APPROVAL OF MINUTES
  - October 18, 2010. [Pages 1-3]  
Action: \_\_\_\_\_
4. SCHEDULED BUSINESS
  - a. Northwest Art & Air Festival expense reports. [Pages 4-9]
    - 1) Parks & Recreation Department expense report. [Pages 4-6]
    - 2) Fire and Police Departments' report. [Pages 7-8]
    - 3) AVA's expense report. [Page 9]Action: \_\_\_\_\_
  - b. P&R expense report on the trolley. [Pages 10-11]  
Action: \_\_\_\_\_
  - c. AVA expense report for partnership advertising. [Page 12]  
Action: \_\_\_\_\_
  - d. Discussion: funding for new events and new attractions. [Verbal]  
Action: \_\_\_\_\_
  - e. Continued discussion of "parking lot" list. [Page 13]  
Action: \_\_\_\_\_
5. BUSINESS FROM THE TASK FORCE
6. NEXT MEETING DATE: *TBA*
7. ADJOURNMENT

City of Albany Web site: [www.cityofalbany.net](http://www.cityofalbany.net)

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## 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 usually breaks 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,

Diana Eilers  
Administrative Assistant I

Reviewed by,

Stewart Taylor  
Finance Director

**NWAAF Expenditure and Participation Report**

Revenue									
Year	Cash Sponsorships	In-Kind Sponsorships (Includes Fair/Expo & Fire Department)	Merchandise	Fees and Charges	Donations & Parking	AVA Expense Contributions (Publicity)	Public Works Expense Contributions	Total Cash Revenue	Notes
2009	\$74,700.00	\$78,650.00	\$2,133.25	\$37,906.00	\$11,135.70	\$2,500.00	\$0.00	<b>\$128,374.95</b>	Actual
2010	\$67,400.00	\$92,700.00	\$5,160.57	\$36,500.00	\$13,426.98	\$6,100.00	\$1,000.00	<b>\$129,687.55</b>	Projected

Expenditures		
Expenditures	2009	2010 (Projected)
Temp Employees, Wages, Salaries,, Benefits	\$ 34,445.28	\$ 43,100.00
Contractual-Booking Agent	\$ 4,777.49	\$ 5,000.00
Contractual-Performer	\$ 53,500.00	\$ 55,000.00
Contractual- Print Framing	\$ 1,690.00	\$ 1,620.00
Contractual-Sound	\$ 9,397.50	\$ 9,000.00
Contractual-Technicians	\$ 100.00	\$ 500.00
Contractual-Miscellaneous	\$ 2,604.65	\$ 12,500.00
Contractual-Trash/Port-A-Pots	\$ 4,078.45	\$ 4,400.00
Contractual-Security	\$ 5,335.00	\$ 5,400.00
Contractual-Balloonist	\$ 15,020.44	\$ 12,100.00
Advertising & Publications	\$ 3,600.00	\$ 10,100.00
Equipment: Rental & Private	\$ 10,503.55	\$ 9,000.00
Materials & Supplies	\$ 5,781.78	\$ 7,000.00
Mileage & Training	\$ 282.78	\$ 200.00
Postage & Shipping		\$ 200.00
Printing & Binding	\$ 830.64	\$ 500.00
Souvenir Expenses	\$ 3,552.50	\$ 5,000.00
Signage	\$ 1,132.00	\$ 3,000.00
Fireworks	\$ 2,000.00	\$ 2,200.00
Food Supplies	\$ 926.99	\$ 900.00
Power & Light		\$ 2,200.00
Licenses & Fees	\$ 566.00	\$ 800.00
Insurance	\$ 1,500.00	\$ 2,000.00
<b>Total</b>	<b>\$ 161,625.05</b>	<b>\$ 191,720.00</b>

Cost Recovery	
2009 (Actual)	
Revenue	<b>\$128,374.95</b>
Expenditures	<b>\$161,625.05</b>
Difference	<b>(33,250.10)</b>
% Cost Recovery	<b>79.43%</b>
2010 (Projected)	
Revenue	<b>\$129,687.55</b>
Expenditures	<b>\$191,720.00</b>
Difference	<b>(62,032.45)</b>
% Cost Recovery	<b>67.64%</b>

Note: We anticipate once all bills are in, it is likely we will be closer to 80% cost recovery for actual 2010 fiscal year but wanted to provide a conservative estimate.

## Participation Report

Featured Area Services and Overall Event Attendees								
Number of Event Sponsors	Young Eagle Flights Provided	Young Eagle Riders Provided	Number of Sponsored Balloonists	Number of Car Show Vehicles	Number of Artists' Booths	Number of Food Vendors	Sponsored and Paid Balloon Rides Provided	Total Event Attendees
46	103	200	35	102	73	18	126	<b>41,506</b>

Volunteer Hours					
Event Operations	Airport	Balloon	Recycling	Car Show	Total Volunteer Hours
1513	166	1041	198	10	2928

Recycling Results					
Total Amount Removed From Waste	Cardboard	Comingled Recycling	Glass	Food	Returnable Cans/Bottles
10 yards	1500 pounds	390 gallons	96 gallons	300 pounds	1539

## ATI Wah Chang 2010 Northwest Art and Air Festival Economic Impact Survey

Survey Distribution	
Number of Surveys Conducted	320 Groups/Families
Number of Individuals Represented	1237 Individuals
Average Group Size	3.8 Individuals

Distance Travelled to Attend NWAAF	
Local (City of Albany)	35.60%
15-30 Minutes	25.90%
.45 Minutes-2 Hours	16.60%
2.5 Hours-4 Hours	13.40%
4+ Hours	8.40%

Amount Spent In Albany On Food, Gas, Shopping By Attendees of NWAAF				
Note: The total amounts identified here do not include lodging since our survey did not identify the number of nights individuals were spending. Our survey also did not specify type of overnight accommodations.	Amount Attendees Spent on Food in Albany During Event	Amount Attendees Spent on Gas While in Albany for NWAAF	Amount Spent Shopping While in Albany for NWAAF	Totals
Total Amount Spent By Those Surveyed <i>Actual</i>	\$32,087.00	\$10,319.00	\$38,319.00	<b>\$80,725.00</b>
Per Group(320) <i>Actual</i>	\$100.27	\$32.25	\$121.60	<b>\$254.12</b>
Per Individual (1237) <i>Actual</i>	\$25.94	\$8.34	\$31.46	<b>\$65.74</b>
Total of 40,000 People <i>Projected</i>	\$1,037,574.78	\$333,678.25	\$1,239,094.58	<b>\$2,610,347.61</b>

Lodging Information: Total People & Room Usage			
Groups Using Lodging	Individuals Using Lodging	% of Total Attendees Using Rooms	# of Rooms Based on 4 Per Room for 1 Night
87 (320 individuals) <i>Actual</i>	333	27.19	83.25

Economic Impact For Lodging				
These numbers are based on 4 people per room. We believe this is a conservative estimate.	Number of Rooms	Average Amount Per Room	1-Night Stay	2-Night Stay
Based on 1,237 Individuals: Actual reported room usage	83.25	\$98.50	\$8,200.13	\$16,400.25

**Additional Note:** Recommendation of most Visitor's Associations and tourism agencies is to use \$144 per day per person when determining economic impact of an event. Using this industry standard, our economic impact at 40,000 people for three days would equal \$17,280,000.00

## Taylor, Stewart

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**From:** Bradner, John  
**Sent:** Friday, October 22, 2010 5:55 PM  
**To:** Taylor, Stewart  
**Cc:** Hare, Wes; Boyd, Ed  
**Subject:** RE: Support for Community Events

Fire Dept.

Stewart,

At this past years Northwest Art & Air Festival the Fire Department incurred a total of 36 hours of overtime providing medic unit coverage, an engine during the fireworks shoot, and a deputy fire marshal to inspect for fire code violations and ensure that the fireworks shoot complied with the fire code. Our total personnel costs for this event were \$2,480.

This does not account for any costs associated with the equipment for which we would normally charge the public \$270 per hour for the medic unit (to include the two medics), and \$100 per hour for an engine plus personnel costs. If we calculate the total costs that we would charge for this event the total would have been \$4,585.

*Medic unit for nine hours x \$270 = \$2,430 +*

*Engine for five hours x \$100 = \$500 + personnel costs of \$675 = \$1,175 +*

*Deputy Fire Marshal = 13 hours x overtime wage and benefits = \$980*

We also provide medical standby for the River Rhythms' concerts. During this past years' concerts we incurred 32 hours of overtime covering five of the six concerts. Our total personnel cost for these concerts was \$2,375.

Again, if we were charging the same rate that we would charge the public for this coverage, the total cost for medic unit coverage for River Rhythms would be \$6,480.

*Medic unit for four hours x \$270 = \$1,080 x 6 concerts = \$6,480.*

All total our actual costs to cover these community events this year was \$4,855 and our full rate to cover the cost associated with the medic units and the engines would have been \$11,065.

Please let me know if you need this information in a more formal manner or if this e-mail will suffice for the committee. If you need me to, I can write up a more formal report that indicates what I have stated in this e-mail. Either way, just let me know.

Also, please thank the Task Force for even considering using some of the Transient Lodging Tax revenues to help with the public safety costs associated with these community events.

John

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**From:** Taylor, Stewart  
**Sent:** Tuesday, October 19, 2010 1:50 PM  
**To:** Bradner, John; Boyd, Ed  
**Cc:** Hare, Wes  
**Subject:** Support for Community Events

John and Ed,

The Transient Lodging Tax Task Force met yesterday and started identifying uses for the TLT revenues that will be freed up in the 2011-2012 budget now that the fairgrounds bonds are paid off. It looks like there will be approximately \$200K each year. The revenues are not restricted to tourism activities and facilities. They can be used for any City purpose.

Police Dept.

**From:** Hinrichs, Jeff  
**Sent:** Tuesday, November 02, 2010 2:57 PM  
**To:** Boyd, Ed  
**Subject:** RE: Support for Community Events

Chief, Here is what I have.

I am using an overtime rate of \$66 per hour, which only accounts for employee costs. This amount does not include management, organization, equipment, or vehicle use. These are the larger events that we work where I believe people come from out of the area and spend motel nights. We often work OT for many other community events where I suspect there is not a large number of motel nights involved (Toy Run, High School games, Basketball Tournament, etc).

<u>Event</u>	<u>Hours Routinely Worked(Avg)</u>	<u>Total OT Costs</u>
River Rhythms	44	\$ 2,904
Northwest Art and Air	32	\$ 2,112
Willamette Celebration	27	\$ 1,782
Bike Race	16	\$ 1,056
Willamette River Celebration	16	\$ 1,056
Veteran's Day Parade	76	\$ 5,016
Thanksgiving Day Run	6	\$ 396
Linn County Fair	4	\$ 264
		<b>Total OT Costs \$14,586</b>

We do not have a calculated cost for equipment, vehicles, and overall management costs but I could easily see the actual costs as double this amount.

**AVA Expense Report for NW Art & Air Festival**  
2010

	<i>Time</i>	<i>AV/HR</i>	<i>Total Cost</i>
Staff Time	230 Hours	\$ 18.64	\$ 4,287.21

<b><i>Donated to the Event by AVA (not billed to City)</i></b>			
<i>Item</i>	<i>Description</i>	<i>Cost</i>	
Office Supplies	Paper, printing costs, other supplies	\$	450.00
Promotional Items	From Stock for pilot bags	\$	150.00
Event Pins	2010 NW A&A pins	\$	850.00
ANT tickets	2 tickets - gift for Balloon Miester	\$	70.00
Lighting and electrical cords	Rent - \$3/(light/cord)/day	\$	72.00
Tents	Rent - \$40/day	\$	120.00
Bullhorn	Rent - \$5/day	\$	15.00
			\$ 1,727.00

<b><i>Donated to the event by others</i></b>			
Pilot/Crew potluck	1/3 Willamette Center	\$	1,000.00
Flat Bed Trailer	Lift off stage - \$100/day	\$	300.00
5th Wheel RV	On site office and storage - \$100/day	\$	300.00
Horse Trailer	Merch sales storage - \$100/day	\$	300.00
Sound System	Lift off stage - \$50/day	\$	150.00
ATV & Trailer	For field setup and takedown - \$40/day	\$	120.00
On-site Vehicle	Shuttle passengers to balloon - \$40/day	\$	120.00
Generator	Honda 3000 for lights - \$50/day	\$	150.00
Coffee Service	Lift off volunteers/staff - \$50/day	\$	150.00
Thank You Breakfast	Volunteers/staff - 25/\$10/1day	\$	250.00
Lift Off announcer	DJ services - \$100/day	\$	300.00
			\$ 3,140.00

<b><i>Advertising</i></b>			
Print media (an estimated portion of ar	Advertising for NWA& A in newspapers, magazines, brochures, etc	\$	520.00
KEZI Television	Advertising for NWA& A	\$	2,000.00
Oregon Event Calender (50/50 split w Linn Cultural Coalition)	Cover Wrap	\$	6,800.00
			\$ 9,320.00



## Albany Parks and Recreation Trolley

Expenditures				
Expenditures	2008	2009	2010	2011 YTD
Temporary Employee Wages & Benefits - Figured at \$16 per	\$3,152	\$2,480	2,960	\$1,920
Staffing Costs: Administration & Coordination -	\$4,160	\$4,160	\$4,160	\$4,160
Equipment Maintenance & Repair	\$476 - No major repairs	\$2,710 - transmission rebuilt	\$3,045 -Front end rebuilt and 2 new tires	\$440
Mileage Expense - Fuel figured at \$3 per gallon	\$591	\$465	\$555	\$360 est
Insurance - Average City vehicle - best figure for this vehicle	\$362	\$347	\$352	\$369
Licensing & Fee's	Publicly	Owned	No	License fee
Training - Estimated	\$ 600 - 2 drivers received CDL	\$200	\$200	\$0
Equipment Replacement	None	Currently	Put	Away
Miscellaneous	0	0	0	0
<b>Totals</b>	<b>\$9,341</b>	<b>\$10,362</b>	<b>\$11,272</b>	<b>\$4,476</b>

Revenues				
Revenues	2008	2009	2010	2011 YTD
Fees & Charges	\$2,500	\$1,592	\$2,545	\$1,175 as of Oct 15

Cost Recovery				
Cost Recovery	2008	2009	2010	2011 YTD
Revenue	\$2,500	\$1,592	\$2,545	\$1,175
Expenditures	\$9,341	\$10,362	\$11,272	\$4,476
Difference	\$6,814	\$8,770	\$8,727	\$3,301
% Cost Recovery	26.7	15.4	22.6	26.25



## Albany Parks and Recreation Trolley

### Rental and Usage Information

Year	# of Rental uses	Rental Hours	P&R Event/Program Uses	Event Hours
2008	31	94 est	10	60 est
2009	17	52	20	100 est
2010	29	87	21	100 est
2011 YTD	24	57	16	76
<b>Totals</b>	101	290	67	336 est

### Anticipated Repairs and Additional Upgrade Expenditures

Anticipated Repairs	2011	2012	2013	2014
PA system	0	0	\$500	0
Paint	0	0	\$3,000	0
Mechanical Repair - Average Anticipated repairs	\$1,500	\$1,500	\$1,500	\$4,000 - Figuring for new engine
Tires	0	\$500	\$500	0
Flooring	0	\$3,000	0	0
Seats	0	\$1,000	0	0
Woodwork/Misc. Interior Work	0	\$1,000	0	0
Other	0	0	\$1,000	\$1,000
<b>Total</b>	<b>\$1,500</b>	<b>\$7,000</b>	<b>\$6,500</b>	<b>\$5,000</b>

### Equipment Replacement Costs

Costs for Vehicle Replacement	Anticipated lifespan	Annual Allocation Needed
New \$150,000	25 Years	\$6,000
Good Used \$80,000	15 Years	\$5,333

## AVA Expense Report for Partnership Advertising

<b>Advertising for/with Albany Downtown Association</b>			
Print Media Advertising by Visitors Association - Calculated percent of event & ad cost	Event listings in newspapers, magazines, brochures, etc.	\$	520.00
Partner ad - AVA/ADA	Antiques in the Streets	\$	190.00
			\$ 710.00

<b>Marketing Partnerships with Expo Center</b>			
Industry/Trade print media	magazines, directories, ne	\$	7,810.00
Events	Conferences/tradeshows	\$	820.00
			\$ 8,630.00

<b>Linn County Region</b>			
Explore Linn Brochure (Travel Oregon \$10,000 matching grant)	Design & Develop Brochure	\$	10,000.00
Oregon country Trails	Advertising, hosting, organizing, etc.	\$	900.00
	Staff & Volunteer time = 100's of hours	\$	-
			\$ 10,900.00

<b>Local Brochures</b>			
Discover Albany	25000 Produced and distributed yearly	\$	-
Seems Like Old Times	10,000 Produced	\$	1,000.00
			\$ 1,000.00

Number of impression from marketing	2,050,000
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11/10/2010

“Parking Lot” List for Allocation of Transient Room Tax Dollars  
for  
Entities/Activities/Events

From the September 20 TRT Task Force meeting, listed below are the suggestions from task force members for use of the money:

- *30 percent of the debt service payment be used as a capital reserve for the airport. (Reid)*
- *30 percent of the debt service payment be used for business development. (Terjeson)*
- *Funds for a joint marketing effort between the Expo, AVA, ADA, etc. (Porter)*
- *Funds for marketing the Northwest Art and Air Festival. (Hare)*
- *Reimbursement to the Police and Fire Departments for their presence at events. (Konopa)*
- *Funds for new events and new attractions. (Lucht)*
- *Funds for fireworks, the Veterans’ Day parade, and central service charges. (Hare)*
- *Funds for countywide promotions. (Konopa)*
- *Funds for the Monteith Society. (Hult)*