



## NOTICE OF PUBLIC MEETING

### TRANSIENT ROOM TAX TASK FORCE

City Hall

Santiam Room

Monday, December 13, 2010

2:00 p.m.

### AGENDA

1. CALL TO ORDER (Mayor Sharon Konopa)
2. ROLL CALL
3. APPROVAL OF MINUTES
  - November 15, 2010. [Pages 1-3]  
Action: \_\_\_\_\_
4. SCHEDULED BUSINESS
  - a. Northwest Art & Air Festival report. [Pages 4-9]  
Action: \_\_\_\_\_
  - b. Proposed transient room tax allocations. [Page 10]  
Action: \_\_\_\_\_
  - c. Process for public comment. [Verbal]  
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, November 15, 2010

### MINUTES

#### CALL TO ORDER

Mayor Sharon Konopa called the meeting to order at 2:05 p.m.

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

#### APPROVAL OF MINUTES

MOTION: Ralph Reid made a motion to approve the October 18, 2010, minutes with changes; Oscar Hult seconded. All approved.

#### SCHEDULED BUSINESS

##### Northwest Art & Air Festival Expense Reports

Parks & Recreation Director Ed Hodney said that Recreation Programs Manager Katie Nooshazar compiled the reports and she will be able to answer any questions the group has. Nooshazar discussed the reports in the agenda packet. She said that funds and invoices are still being received and that is why the numbers for 2010 are projected. Nooshazar said that the fireworks done at the Northwest Art & Air Festival (NWAAF) are considered a "topper" show. She said that it would cost around \$10,000 for a Fourth of July fireworks show.

Reid said that there is nothing representing the airport's portion of expenses/donations for the NWAAF. Nooshazar said that those numbers are included in the in-kind sponsorship revenues on page four of the agenda packet. Reid said that he would like the in-kind sponsorship amount broken down. Konopa asked if the Airport Advisory Commission could produce a report showing their detailed expenditures/in-kind donations for the NWAAF. Hodney said that he will followup with detailed information regarding the in-kind sponsorships.

Steve Terjeson said that he noticed that the NWAAF expenditures have gone up quite a bit between 2009 and 2010. He asked if staff thought this was a trend. Hodney said that the cost for performers has gone up and expenses have increased while sponsorships have decreased. Terjeson said that what the report doesn't show is how this event impacts the community. Konopa said that she has heard many comments from people that the NWAAF is a very professional event.

Hodney said that on pages seven and eight of the packet it shows what the expenses are for the Police and Fire Departments for the NWAAF and RiverRhythms.

The Mayor asked Randy Porter if the Fire and Police Departments are on-site for other events at the Fairgrounds. Porter said that the Fire Department is present for the New Year's Eve event and the Linn County Fair.

Jimmie Lucht discussed his report relating to NWAAF. Konopa asked what the total expenses for the Albany Visitors Association are for the NWAAF. Lucht said that it is around \$14,000. Hodney said that \$6,100 is included in the P&R reports.

#### P&R Expense Report on the Trolley

Konopa said that the trolley is a good tourism tool. She said that the trolley is in need of repair. Hodney discussed the trolley expense report. The Mayor said that the numbers on the report may need to be increased because of the work that is needed.

#### AVA Expense Report for Partnership Advertising

Lucht said that there are a couple of advertisements that are done jointly with the ADA. He discussed his reports. Hult said that the ADA has \$1,000 for advertising. Porter said that \$30,000 is budgeted for the Linn County Expo Center. He said that \$23,000 is budgeted for advertising for the Linn County Fair.

#### Discussion: Funding for New Events and New Attractions

Konopa distributed a letter from Ron Terhaar. Terhaar is requesting that 50 percent of the room tax funds go to support the operation of the airport.

Lucht said that a couple of years ago there was some funding for matching grants for new events. He said that it was a good way for folks to start a new event and the groups could receive a grant for up to three years. He said that he would like to see this program available again and that when the program was in place, they had \$10,000 available for new events. Hult said that he thought that the funds were also used for onetime events, too. Lucht said that he couldn't remember if that was the case or not.

Konopa asked about the condition of the Monteith House and if anything is coming out of the P&R budget for the Monteith House. Hodney said that only the water meter is. Hult said that half of the house was painted and the other half needs to be painted. The chimney in the kitchen is in need of repointing, and the roof is in decent condition but is over 30 years old. He said that it would be helpful to put in some pathways so people could get around easier and a ramp in the back to get people inside. Hult said that a capital replacement budget is nonexistent and that there is \$2,000 in a savings account. Reid said that the City needs to take over maintenance of the Monteith House and put it in the budget as a line item. Konopa said that the Monteith Society takes care of the operational side of the house. Reid said that the staff and Council are not being kept informed of the condition of the Monteith House. Konopa said that this is something that could be discussed with the Council to set a policy to have the repairs come out of the City budget and have it still be operated by the Monteith Society. Terjeson said that he thinks using these funds would be appropriate to help maintain the Monteith House.

Konopa said that she will meet with Stewart Taylor to see what the TRTTF numbers will be. She said that she wants to make sure that we have brought everything to the table. Porter asked if we have a solid amount. Konopa said that we just have a projection at this point.

Konopa said that we had talked about a rainy day fund. She asked if this is something we are still considering. The group said that they want to consider a rainy day fund.

Continued Discussion of "Parking Lot" List

Oscar said that moving the Albany Fire Department Museum downtown has been discussed. He said that he knows it is not open very often. Lucht said that it would be fantastic to have the museum in the downtown fire station. Konopa said that CARA might be able to help with this.

Hult said that the Jensen Arctic Museum in Monmouth is looking for a new home. He has been working with Kate Porsche to try to find a place here in Albany for the museum.

**BUSINESS FROM THE TASK FORCE**

Konopa said that a matrix will be brought back to the next meeting along with percentages/numbers.

**NEXT MEETING DATE:** Monday, December 13, 2010, at 2:00 p.m.

**ADJOURNMENT**

The meeting adjourned at 3:05 p.m.

Respectfully submitted,

Diana Eilers  
Administrative Assistant I

Reviewed by,

Stewart Taylor  
Finance Director

## Nooshazar, Katie

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**To:** Hodney, Ed  
**Subject:** RE: Revisions to NWAAF report for TRT task force  
**Attachments:** Revised TRT Revenue-Expenditure Report.xlsx; Additional Revenue Sources.xlsx; Airport Support Provided By APRD.xlsx; Economic Impact Report.xlsx; Participation Report.xlsx

Attached please find the complete NWAAF report for submission to the Transient Room Tax committee. Included:

- Revised NWAAF Revenue & Expenditure Report. I removed all in-kind resources as well as all cash contributions made by our partners and expenditures funded by those cash contributions. I included notes indicating that those figures have been separated out and are provided in the supplemental information.
- Additional Revenue Sources document that provides listing of both in-kind resources obtained by APRD as well as cash contributions made directly by partners.
- Airport Support document that details those cash expenditures directly related to airport participation that are funded by APRD. It also notes in-kind services obtained by APRD for support of airport activities.
- Economic Impact Report
- Participation Report

I have included file-paths on all documents. I have provided a hard copy of all documents on your desk.

I believe that I have revised and submitted all the requested information. Please advise if you need additional information.

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**From:** Hodney, Ed  
**Sent:** Tuesday, December 07, 2010 4:25 PM  
**To:** Nooshazar, Katie  
**Subject:** Revisions to NWAAF report for TRT task force

As discussed, I'll need to review the requested revisions to the report tomorrow afternoon, in order to submit it for the meeting packet.

*Ed Hodney*  
*Director of Parks and Recreation*  
*City of Albany, OR*  
*541/917-7769*  
[ed.hodney@cityofalbany.net](mailto:ed.hodney@cityofalbany.net)

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### NWAAF Revenue and Expenditure Report

Cash Revenue						
Year	Cash Sponsorships	Merchandise	Fees and Charges	Donations & Parking	Total Cash Revenue	Notes
2009	\$74,700.00	\$2,133.25	\$37,906.00	\$11,135.70	<b>\$125,874.95</b>	Actual
2010	\$67,400.00	\$5,160.57	\$36,500.00	\$13,426.98	<b>\$122,487.55</b>	Actual

Cash 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	\$	3,600.00
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	\$	1,000.00
<b>Total</b>	<b>\$ 161,625.05</b>	<b>\$</b>	<b>184,220.00</b>

Cost Recovery	
<b>2009 (Actual)</b>	
Revenue	<b>\$ 125,874.95</b>
Expenditures	<b>\$ 161,625.05</b>
Difference	<b>(35,750.10)</b>
% Cost Recovery	<b>77.88%</b>
<b>2010 (Projected)</b>	
Revenue	<b>\$ 122,487.55</b>
Expenditures	<b>\$ 184,220.00</b>
Difference	<b>\$ (61,732.45)</b>
% Cost Recovery	<b>66.49%</b>

Note I: 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.

Note II: Cash revenue figures do not include any in-kind donations or services. Those figures are now included under additional revenue sources.

Note III: Cash revenue figures and cash expenditures listed at left do not include any actual financial contributions made by our event partners (AVA and Airport). Those figures are now included under additional revenue sources.

**Additional Revenue Sources**

**In-Kind Revenue for NWAAF**

<b>Year</b>	<b>In-Kind Sponsorships</b>
2009	\$78,650.00
2010	\$102,700.00

**Cash Expenditures Funded by Partners**

<b>Year</b>	<b>AVA Publicity Contribution</b>	<b>Airport Insurance Contribution</b>
2009	\$2,500.00	\$0.00
2010	\$6,100.00	\$1,000.00

Note I: The revenue listed for in-kind sponsorships includes items provided by sponsors, partners, and donors. Sponsors, partners, and donors often receive return on their investment in the form of event recognition, trade-out for other services, event hospitality, and marketing opportunities. This in-kind revenue does not include any cash expenditures by APRD or by partners AVA and Airport.

Note II: The cash expenditures funded by partners do not include personal financial contributions made by individual pilots or balloonists, use of personal vehicles or personal items, or contributions of private resources.

**Expenses Paid by Albany Parks and Recreation in Direct Support of Airport Activities**

Shuttle Service to Support Young Eagles Flights/Airport Activities 14 hours of service from airport to park @\$30 per hour for driver/vehicle	\$ 420.00
Garbage Service at Airport 8 garbage cans @ 23.33 per can	\$ 186.00
Porta Pots at Airport	\$ 564.00
Temporary Employees for Airport Logistical Support Moved 33 tables, 88 chairs, and provided site set up 2 people for 6 hours @ \$25 per hour	\$ 180.00
Logistical Coordination for Airport Hours spent directly related to arranging airport logistics	\$ 481.50
Additional Insurance Paid to Support Airport Activities Portion paid by P&R for additional insurance	\$ 1,000.00
<b>Total Financial Support Provided by APRD in Direct Support of Airport</b>	<b>\$ 2,831.50</b>

Note I: The amounts listed above do not reflect general support that benefits airport activities and that the airport would need to fund if offering a separate event. These include signage, posters, advertising, general event insurance, sponsor recognition items, entertainment, programs, etc.

Note II: The amounts listed above do not reflect in-kind services that APRD provides in direct support of the airport. These include VIP dinner for pilots, pizza party for pilots, canopies, barricades, caution tape, safety vests, etc.

Note III: The amounts listed above do not reflect the portion of insurance (\$1,000) provided by Airport Funds, fuel paid for by pilots, hours donated by pilots, or hours spent by Airport staff.

## 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

## 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

211 Economic Development  
 11 City Manager/City Council  
 1101 Economic Development Activities

	Current Budget 2010-2011	Requested 2011-2012	Proposed	Scenario #1 2011-2012	2012-2013
<b>Revenues</b>					
40105 Transient Room Tax	507,800			592,250	610,018
48010 Interest	2,500			2,575	2,652
49025 From CARA Program	103,900			107,017	110,228
49905 Beginning Balance	<u>(50,000)</u>			<u>116,610</u>	<u>61,042</u>
<b>Total Revenues</b>	<b>564,200</b>			<b>818,452</b>	<b>783,939</b>

<b>Expenditures</b>						
Personnel Services	116,800	20.7%		116,800	14.3%	128,772 16.4%
Other	46,000	8.2%		46,000	5.6%	50,715 6.5%
60304 Albany Downtown Assoc	38,400	6.8%		38,400	4.7%	42,336 5.4%
60310 Albany Visitors Assoc	320,300	56.8%		320,300	39.1%	353,131 45.0%
60311 AMEDC	<u>42,700</u>	<u>7.6%</u>		<u>42,700</u>	<u>5.2%</u>	<u>47,077</u> <u>6.0%</u>
	<b>564,200</b>	<b>100.0%</b>		<b>564,200</b>		<b>622,031</b>

<b>New</b>						
Airport Capital Reserve			100,000	30,000	3.7%	10,000 1.3%
Collaborative Tourism Promotion			30,000	30,000	3.7%	10,000 1.3%
ADA/Business Development			39,500	15,000	1.8%	5,000 0.6%
NWAAF			50,000	50,000	6.1%	50,000 6.4%
Public Safety Reimbursement			30,000	20,000	2.4%	20,000 2.6%
Veterans' Day parade/PW Staff OT			3,000	5,000	0.6%	5,000 0.6%
Monteith House Capital Reserve			5,000	5,000	0.6%	5,000 0.6%
Trolley Maint and Operations			10,000	10,000	1.2%	10,000 1.3%
Contingency			<u>10,000</u>	<u>61,042</u>	<u>7.5%</u>	<u>46,909</u> <u>6.0%</u>
			<b>277,500</b>	<b>226,042</b>	<b>96.6%</b>	<b>161,909 100.0%</b>