

## NOTICE OF PUBLIC MEETING

### TLT AD HOC ADVISORY COMMITTEE

City Hall, Santiam Room

Wednesday, July 27, 2016

3:00-5:00 p.m.

### AGENDA

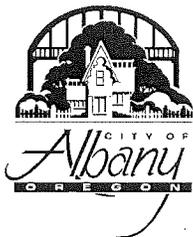
1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF MINUTES
  - June 22, 2016. [Pages 2-5]
  - Action: \_\_\_\_\_
4. SCHEDULED BUSINESS
  - a. Business from the Public
  - b. Presentation follow-up – TLT Collectors. [Pages 6-8] (Leigha Thomas)  
Action: \_\_\_\_\_
  - c. Presentation follow-up – Softball field improvements and potential benefits. [Pages 9-10] (Ed Hodney)  
Action: \_\_\_\_\_
  - d. Staff updates and issues. [Verbal] (Porsche)  
Action: \_\_\_\_\_
5. BUSINESS FROM THE COMMITTEE
6. NEXT MEETING DATE: *August 10, 2016; 3:00-5:00 p.m., Santiam Room*
7. ADJOURNMENT

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

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*The location of the meeting/hearing is accessible to the disabled. If you have a disability that requires accommodation, advance notice is requested by notifying the City Manager's Office at 541-917-7508, 541-704-2307, or 541-917-7519.*

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CITY OF ALBANY  
TLT AD HOC ADVISORY COMMITTEE  
City Hall, Santiam Room  
Wednesday, June 22, 2016  
5:00 p.m.

MINUTES

CALL TO ORDER

Chair Scott Pierson called the meeting to order at 5:00 p.m.

ROLL CALL

Committee Members present: Scott Pierson, Mitch Langjahr, Chuck Leland, Mike Martin, Betsy Penson, Steve Reynolds

Committee Members absent: Julie Jackson

APPROVAL OF MINUTES

May 25, 2016

Pierson requested a correction on page 2, the last paragraph, the seventh line: change ADA to AVA.

MOTION: Chuck Leland moved to approve the minutes as corrected. Mitch Langjahr seconded the motion, and it passed 6-0.

SCHEDULED BUSINESS

Business from the Public

None.

Presentation – TLT Recipient: Albany-Millersburg Economic Development Corporation (AMEDC)

John Pascone, President of the Albany-Millersburg Economic Development Corporation (AMEDC), gave a presentation on AMEDC. The presentation was included in meeting packets. Highlights included the following:

- AMEDC was incorporated in 1982 as a 501-C4 with a 25-member Board of Directors. Listings of the original incorporators and current Board members are included in the presentation. The mission from the organization's bylaws is "To foster a healthy and viable economy in the Albany-Millersburg area."
- AMEDC's original strategy was job creation through recruiting and retention/expansion. In 1986, the strategy was expanded to include small businesses. The goal is to increase jobs and wages.
- AMEDC services include staffing of an office; working with existing local businesses; responding to inquiries for buildings and land; helping start-ups; representing the communities in meetings, forums, and boards; and managing the Enterprise Zone.
- The Enterprise Zone is an overlay zone under which a company can get three years of tax deferral for new investment. The Albany-Millersburg Enterprise Zone sunset in 1996 and the South Santiam Enterprise Zone is set to sunset in 2018. The City of Albany is expected to discuss the potential of forming its own Enterprise Zone.

- AMEDC's budget for 2015-16 is \$124,805. Revenue sources include the City of Albany TLT Fund (\$49,700), City of Millersburg (\$30,000), Linn County (\$20,000), and private funding (\$17,500). Expenses include staff and payroll (\$99,500), occupancy/office (\$11,900), marketing (\$4,900), and other (\$3,000).
- Revenue from the City of Albany TLT program increases three percent each year, which has been very helpful. The TLT funding mechanism has worked well in allowing recipients to know the level of funding they will receive each year.
- AMEDC's Strategic Plan and Projects List are included in the presentation.
- AMEDC's impact includes jobs for residents and kids; payroll to support families and the community; and property taxes to support schools and government
- Of the approximately 20,000 local jobs in manufacturing, about nine percent were created through AMEDC efforts. The average wage from AMEDC projects is \$44,546. Assurant Call Center reduces this average; however, that business has been successful in providing over 400 good jobs for the community.
- Several of the top 20 taxpayers in Linn County were AMEDC projects and clients. Success stories include the Target Distribution Center, Panolam Industries, Metal Technology Inc. (MTI), SnoTemp, Chalet RV, Assurant Call Center, and Viper Northwest.
- AMEDC's wish list includes additional funding in the amount of \$81,000 for a support staff person (\$45,000); web master help (\$24,000); and marketing and outreach (\$12,000).

In response to questions from the Committee, Pascone provided additional information about Enterprise Zone incentives. He said that he spends the majority of his time on expansion and retention efforts. He gave examples of businesses that were considering locating in Albany and Millersburg but ultimately chose to locate elsewhere due to regulatory issues at the state level. He said that the wish list funding would allow for updates and maintenance of the website and social media platforms which is important because site selectors are connected to these platforms. Brief discussion followed regarding the current and historical TLT funding for AMEDC and the charge of this Committee to consider and recommend changes to the existing TLT policy.

Pascone agreed to contact Betsy Penson regarding potential uses of vacant space at Heritage Mall.

#### Presentation – TLT Recipient: City of Albany Economic Development

Economic Development and Urban Renewal Director Kate Porsche reviewed her background with the City of Albany. About ten years ago, she was hired as Urban Renewal Coordinator by then Economic Development Director Dick Ebbert. Mr. Ebbert passed away in 2008, and it was decided not to fill the position for budgetary reasons. In 2013, after earning her Master's degree, she was promoted to Economic Development and Urban Renewal Director. Funds were later added to the budget to hire Nathan Reid to assist on the urban renewal side.

At the request of the Committee, Nathan Reid reviewed his background, which includes an internship in Washington, D.C., and urban renewal experience at the state level.

Porsche distributed and reviewed a graphic of the Economic Development Budget 2016-2017. She noted that 19 percent of the budget is allocated to equipment replacement, 7 percent to reserves, 4 percent to operating costs, and 4 percent to the Collaborative Tourism Promotion (CTP), with the remaining 66 percent to the TLT recipients as shown on the graphic. Three-quarters of her salary and all of Reid's salary is funded from the urban renewal district; 25 percent of the Director's salary is funded through TLT revenues for work related to economic development.

Porsche said that she and John Pascone work together very well in a complimenting partnership. Because Pascone works for a nonprofit organization, he is able to be nimble and quick to respond, while there are some things the City can do that AMEDC cannot. Her goals include helping to eliminate barriers for businesses and

shepherding high profile, job-creating projects through the system. She noted that AMEDC's project list includes many projects that were assisted in partnership with the Central Albany Revitalization Agency (CARA) or the City.

Porsche said that, along with expansion/retention and recruiting, AMEDC and the City have begun to focus on entrepreneurs, partnering with the Regional Accelerator Innovation Network (RAIN) to hold local events to spread information and provide entrepreneurs with the tools they need to create future traded sector businesses.

Porsche noted that the City Council has deemed a healthy economy to be a high priority, so much so, that it is Goal 3 in the City's Strategic Plan. She reviewed some of the goals, objectives, and metrics identified in the Strategic Plan Goal.

Mitch Langjahr initiated brief discussion about the CTP funding, which has been used for the Linn County Expo marketing position. Mike Martin said he will want to discuss whether that the position might be most effective as an employee that reports to the City and works to fill events throughout the community.

In response to a question from Penson, Porsche said AMEDC has a proposal packet and the City has a marketing packet for prospective businesses. Penson said that access to that information would be helpful to Heritage Mall, and potentially others, in trying to attract business to Albany.

#### Presentation – TLT Recipient

##### *City of Albany Public Works Operations Street Maintenance*

Public Works Operations Director Chris Bailey gave a presentation on the use of TLT funds in the Street Maintenance Program and the Albany Municipal Airport Capital Budget. The presentation was included in meeting packets.

Bailey said the Street Maintenance Program receives less than \$3,000 per year in TLT revenue as reimbursement for costs related to the Veterans' Day Parade. These costs include setup and takedown of barricades, equipment costs, and personnel including overtime pay.

##### *City of Albany Airport*

Bailey said the Albany Municipal Airport was established in the 1920s and grew to over 186 acres through the 1960s. Over time, 75 acres were sold or lost to I-5, the Linn County Fair and Expo, and hotel and restaurant properties. This impacted the ability of the Airport to generate its own revenue or expand operations. The previous TLT work group recommended that the Airport receive annual funds for capital projects. For FY 2016-17, the Airport received \$71,700. These funds provide the local ten percent match required for Federal Aviation Administration (FAA) grants, as well as funding for non-FAA grant eligible projects.

Bailey reviewed TLT revenue-funded building and facility repairs, including a new roof on City T-hangars, paving of the swept-wing aircraft parking area, match for Airport fencing project, match for Airport taxiway connector design project, match for GIS obstruction survey, and match for taxiway construction project. Future Airport capital projects include displaced threshold marking to extend useable runway length, automated weather observing system (AWOS), water/sewer utility expansion to unserved areas, parking apron paving and striping, additional aircraft fuel tank and pump facility, and development of a GPS approach which would make it safer for pilots to land on cloudy days.

Bailey said the 2014 Oregon Department of Aviation Plan estimated 12,650 annual flight operations (take-off or landing) at Albany, with a total impact on local businesses of \$5.48 million per year. Continued capital investment will increase these numbers over time. Longer runway, weather reporting, and new approach projects would be expected to result in more flights; improved utilities to underserved areas would be expected to result in more private hangars; and the addition of Jet-A fuel would be expected to bring in additional turboprop and small jet aircraft.

Bailey said that the City Council has directed staff to optimize the Airport's operations and revenue. The Airport is intended by the Council to be self-supporting and it receives no General Fund support for operations or capital expenses. Without the TLT revenue source, there would be no funding for the local match for Airport projects.

In response to questions from the Committee, Bailey said the Airport doesn't charge landing fees at this time. There are some fuel sales; and a future project to add Jet-A fuel could add additional transient aircraft stops, fuel purchases, and perhaps even additional hangar business. Continued TLT funding for the Airport will provide for continued expansion of Airport facilities and capabilities; create possibilities for more flight operations and hangars; and continue the Council's direction of maximizing the Airport's potential.

The Committee briefly discussed Airport activities and potential revenue generators, including fuel sales, additional hangars, and land leases. Martin asked whether the City has looked at borrowing to build hangars given the potential payback from leasing them. Bailey said that the Airport Advisory Commission has asked those questions and that the Fixed Base Operator (FBO) has asked the City to build a better FBO hangar; however, the City hasn't yet gone down the path of considering borrowing.

Staff updates and issues

None.

BUSINESS FROM THE COMMITTEE

There was no additional business.

NEXT MEETING DATE

July 13, 2016, 3:00-5:00 p.m., City Hall Santiam Room.

ADJOURNMENT

Hearing no further business, Chair Pierson adjourned the meeting at 7:00 p.m.

Submitted by,

Reviewed by,

Teresa Nix  
Recorder

Kate Porsche  
Economic Development & Urban Renewal Director

TLT AD HOC ADVISORY COMMITTEE  
City Hall, Santiam Room  
Wednesday, July 27, 2016

**TRT Generation Report**

This report shows directly which business generators produce what percentage of TRT for Albany area for past 3 years.

**A Res Travel – Direct Booking Link – 3:30pm Live Demo by Justin Stratford**

AVA to host direct booking link provided by A Res Travel. – See attached  
Hotels and lodging facilities will be bookable on AVA Website. This would allow guests to click through and make reservations at our own properties in Albany. All bookings are trackable and room night consumption would be reported and shared, monthly, yearly....  
On line advertising with this booking link will allow tracking for success of marketing strategy. Packages created with tickets and guestrooms could be sold on AVA Website.

**Virtual Site Tour – presented by Horsepower Productions 3:45 – 4pm by John Harris**

This 5 minute or so video would be produced and used to offer a virtual site tour of Albany for client looking to book a group in Albany. Specially created to showcase our location to host groups. Live map

**Local Lodging Association** - Set up local lodging association with all lodging facilities in Albany and be active in board with in AVA. Salem as example has this same set up. They have 3 members from lodging association that sit on board. Travel Salem reports yearly to Lodging Association and has lodging association approve and support budget and marketing initiatives.

**Group sales manager** – selling 10 or more room nights as group.

Sales manager creates lead from customer calls and prospects. Sends out by BCC to all hoteliers for bid. This bid would get sent back to sales manager for them to write client proposal which would include all bids. Once customer chooses venue and hotel, sales manager lets venue and hotel know they were awarded the bid and to contact the client. Hotel then calls client and contract as usual is prepared. These group sales are tracked by room night consumption and sales manager would track after the event is over how many room nights were consumed. These numbers would be gathered and tracked for yearly report.

AVA de-emphasize downtown events and move those activities to downtown association.

**Group Maintenance Fund** – TRT budget availability to support groups wanting to come to Albany to host event here but need update or maintenance item in order to book. Such as maintenance for softball field lighting, Expo Center horse stalls etc. This supports maintenance and upkeep items specially related to bring in group.

**I-5 Sign marketing area and groups.** Replace current sign with LED sign promoting local events.

TRT Generator Category	Percentage of TRT Generated from Category			
	2013	2014	2015	2016 YTD
Corporate Travel: ATI, Assurant, OFD, Selmet, Energ2, Target, Lowes, Palm Harbor, MEI, Seed Companies	18%	20%	22%	22%
Expo Center	27%	23%	15%	15%
Example of Events at Expo - Australian Sheppard 9 Nights and Samoyed National Specialty 77 nights.				\$50,000 in TRT Total - Estimate \$25 K generated in TRT for 1 National Show.
Horse Shows Expo Center - NW Horse Fair, Pinto, Paint, other horse shows				4- 5 Horse Shows a year \$30K in TRT.
Mother Earth News Fair				\$10,000 TRT.
Albany Home Show, Gun Show, Sportsman Expo, Craft Shows.				Less than 1%
Salem, Eugene and other cities besides Corvallis overflow into Albany. Track and Field Olympic Trials, Graduation, Jehovah Witness Convention	12%	15%	18%	20%
Corvallis and Close Surrounding Area Events - OSU, Moms Weekend, Football games, OSU Conferences, FFA, Sports, Jamboree, Willamette Country Music. Not Albany	28%	25%	25%	23%
Softball tournaments, Swim, Pickelball, Soccer Camp	10%	12%	15%	15%
Historic Home Tour, Nosh Tour, bus tours	Less than 1%	Less than 1%	Less than 1%	Less than 1%
Art and Air Festival	Less than 1%	Less than 1%	Less than 1%	Less than 1%. Return Realized in Tournaments and Sport Camps

TRT Generator Category	Percentage of TRT Generated from Category			
	2013	2014	2015	2016 YTD
Vet Day Parade	Less than 1%	Less than 1%	Less than 1%	Less than 1%
Wine Walk, restaurant week, movies at monteith, Art and Jazz festival, River Rhythms	Less than 1%	Less than 1%	Less than 1%	Less than 1%
Police and Fire Events	Less than 1%	Less than 1%	Less than 1%	Less than 1%
Monteith House Events	Less than 1%	Less than 1%	Less than 1%	Less than 1%
Trolley	Less than 1%	Less than 1%	Less than 1%	Less than 1%



TO: Members of the Transient Lodging Tax ad hoc committee  
FROM: Ed Hodney, Director of Parks and Recreation *EH*  
DATE: July 20, 2016  
SUBJECT: Information on proposed softball field improvements and potential benefits

Several meetings back, I shared a brief list of possible softball field complex improvements for your consideration. You then requested more detail and a projection of impacts or return on these investments. The attached table attempts to summarize this information for you. I apologize if it is difficult to interpret. Bruce Edwards, Sports Coordinator and I will be at the meeting to answer your questions.

A couple general comments about the table:

- Project cost estimates do not assume any specific funding source or financing mechanism. It may be possible to fund these projects through multiple sources.
- The estimated project costs are based on conversations with contractors and providers of venues in other communities. The estimates are NOT based on hard design for our facilities. Depending on the timing of the proposed improvements and more precise design work, costs could vary significantly from our estimates.
- Cost estimates do not account for impacts on operating budgets. However, new ball field lights will be LED, generating superior illumination for a fraction of the cost of the current system. Synthetic infields require less daily maintenance and game preparation, but will require reconditioning or replacement about every 9-10 years.
- A projected increase in the number of tournaments we could host is reliant on an aggressive bidding and sales program to recruit high-impact tournaments. The proposed capital improvements do not guarantee optimal tournament numbers.
- We think the room-night estimates are conservative. Depending on the nature of any tournaments we might secure, we could see higher numbers. We have not attempted to estimate other forms of economic activity, such as food and beverage purchases.

I look forward to our conversation. Do not hesitate to contact me prior to the meeting with questions.

[ed.hodney@cityofalbany.net](mailto:ed.hodney@cityofalbany.net)  
541/917-7769

Proposed Softball Complex Improvements at Bryant and Timber Linn Parks  
with Corresponding Impacts on Tournament Room-Nights

Field Conditions and Amenities	BENEFITS Tournament Type A (6 to 10 teams)	BENEFITS Tournament Type B (12 to 16 teams)	BENEFITS Tournament Type C (18 to 25+ teams)
<p><b>CURRENT CONDITIONS</b> -- existing 35 year old lighting system, grass outfields, clay infields, gravel parking lots at both Bryant and Timber Linn parks</p>	<p>2 to 3 tournaments annually, typically 1 day (sometimes 2). Est. room-nights <b>0-48</b> annually (depending on type of participant/organization).</p>	<p>5 to 7 tournaments annually, 2 day event. Est. <b>66 to 99</b> room-nights per event for adult/youth tournaments, <b>330 to 693</b> room-nights for youth teams. <b>320</b> room nights on average per year as currently only running adult in type B.</p>	<p>2 tournaments annually, 2 day and 3 day events. Est. 150-225 room-nights per adult tournament, <b>300 to 450</b> room-nights for adult/youth tournaments. Estimated <b>375</b> rooms nights per year. Currently running one adult and one youth in type C.</p>
<p><b>FULL IMPROVEMENTS PACKAGE</b> -- replace clay infields with synthetic play surface (Timber Linn only; Bryant is in floodplain). <b>EST. COST: \$400,000 per acre, or \$2 million</b> -- new lighting at both Bryant and Timber Linn parks: <b>EST. COST: \$750,000</b> --paved parking lots at Timber Linn only; perimeter fencing to control access at both Timber Linn and Bryant parks <b>EST.COST: \$1 million</b></p>	<p>Add 10 to 12 more tournaments, 2 to 3 days. Most of these new events would occur Oct through April. Est. <b>66</b> room-nights per tournament for adult and <b>99</b> room-nights per tournament for youth. <b>660 to 792</b> additional room-nights on average per year for adult tournaments (youth events would increase room-nights by 30%).</p>	<p>Add 10 to 12 more tournaments, 2 to 3 days. Most of these new events would occur Oct through April, but we would see some increases in the the May through Sept season as well. Est. <b>66</b> room-nights per tournament for adult and <b>99</b> room-nights per tournament for youth. <b>660 to 792</b> additional on average for adult tournaments (youth events would increase room-nights by 30%).</p>	<p>Add 4 to 6 tournaments , 2 to 3 days. Most new tournaments would occur Oct through April, but we could see 1 to 2 additional tournaments in the May through Sept season as well. Est. additional <b>132</b> room-nights per tournament for adult and <b>198</b> room-nights per tournament for youth. <b>528 to 792</b> additional room-nights on average for adult tournaments (youth events would increase room-nights by 30%).</p>
<p><b>PARTIAL IMPROVEMENTS PACKAGE</b> -- new lighting at both Bryant and Timber Linn parks: <b>EST. COST: \$750,000</b> perimeter fencing to control access at both Timber Linn and Bryant parks; paved parking lots at Timber Linn only. <b>EST.COST: \$1 million</b></p>	<p><b>No projected increase in tournaments with corresponding room-nights.</b></p>	<p>Add 1 to 3 tournaments each year, 2 days. These increases would take place in the the May through Sept season. Est. additional <b>66</b> room-nights per tournament for adult and <b>99</b> room-nights per tournament for youth. <b>66 to 198</b> additional room-nights on average for adult tournaments (youth events would increase room-nights by 30%).</p>	<p>Add 1 tournament annually , 2 to 3 days. We could see 1 to 2 additional tournaments in the May through Sept season. Est. additional <b>132</b> room-nights per tournament for adult and <b>198</b> room-nights per tournament for youth. <b>132 to 264</b> additional room-nights on average for adult tournaments (youth events would increase room-nights by 30%).</p>