



APPROVED: September 28, 2016

**CITY OF ALBANY  
TLT AD HOC ADVISORY COMMITTEE  
City Hall, Santiam Room  
Wednesday, September 6, 2016  
3:00 p.m.**

**MINUTES**

**CALL TO ORDER**

Chair Scott Pierson called the meeting to order at 3:05 p.m.

**ROLL CALL**

Committee Members present: Scott Pierson, Julie Jackson, Mitch Langjahr, Chuck Leland, Mike Martin, Steve Reynolds

Committee Members absent: Betsy Penson (excused)

**APPROVAL OF MINUTES**

July 27, 2016, and August 10, 2016

MOTION: Julie Jackson moved to approve the July 27 and August 10 minutes as presented. Chuck Leland seconded the motion, and it passed 6-0.

**SCHEDULED BUSINESS**

Business from the Public

None.

TLT Ad Hoc Advisory Committee discussion

Pierson said that the committee has received information from TLT collectors and recipient organizations. He asked how committee members would like to proceed in discussing the information and preparing recommendations for the City Council.

Following discussion regarding Council's direction to the committee and potential ways to proceed, there was general agreement to begin by brainstorming broad ideas around what is working well and what could be improved relative to TLT revenue allocations. Economic Development & Urban Renewal Director Kate Porsche documented the discussion using a working draft word document and spreadsheet. These working drafts will be forwarded to committee members to assist with their review and homework prior to the next meeting.

Steve Reynolds said one thing that is working well is the mindset that TLT funds should be used for tourism and recreational activities rather than adding them to the general fund which the committee has heard is common in other communities. Pierson agreed; he said another positive is that we have a supportive Council that is interested in how these funds are being used.

Martin expressed frustration about funds going to organizations where the results are not trackable. Activities at AMEDC, the Expo Center, and sports complexes are trackable; and he would prefer to fund

those at a higher level. Jackson said smaller organizations likely don't have funding to provide in-depth metrics, but metrics are available from the state tourism group and the Main Street program. She thinks it's important to think more broadly than just number of jobs created or number of heads in beds; the livability of a community is also important and has a lot to do with why companies want to locate there. Pierson suggested that the committee could recommend specific metrics that organizations should track and report on an annual basis.

Pierson initiated discussion about the concept of having TLT funds go to City IT staff which could more effectively ensure that the organizations' websites are maintained and functioning well without broken links. AVA Director Jimmie Lucht commented that the previously identified problem with broken links on AVA's website has been repaired and their staff is monitoring to ensure that doesn't happen again. Martin suggested that the organizations could collaborate so that their websites have links to one another and so there is commonality of color, logo, or layout. Brief discussion followed regarding current capabilities and potential ways to have better collaboration and web functionality.

Pierson initiated discussion about a potential allocation to the Expo Center for capital improvements. Leland noted that the Expo Center has a list of capital needs totaling \$700,000. In response to questions, City Manager Hare affirmed that the City Council previously allocated TLT funds for marketing support at the Expo Center; that position was filled for some time, but it is now vacant. He understands that the Linn County Board of Commissioners has committed \$100,000 annually for five years to the Expo Center. He believes that the City Council would be open to participating in funding capital improvements at the Expo Center if there is a good proposal. Brief discussion followed regarding past discussions about the potential of the County assessing its own lodging tax.

Langjahr thought that additional dog shows and the like would allow the Expo Center to take care of their needed improvements and become a self-funding entity. Economic Development & Urban Renewal Director Porsche noted that Expo staff and others have indicated that no similar county facility in Oregon is self-supporting without TLT revenues.

Reynolds referred to testimony from the hotel operators indicating that 15 percent of TLT revenue is directly generated by the Expo Center. Given that the Expo Center uses City infrastructure, he suggested that 15 percent of the total TLT be split 66/33 between the Expo Center and the City. Hare said he isn't sure that 15 percent of TLT revenue is directly attributable to the Expo Center. Pierson suggested that the committee could recommend funding for the Expo Center in the amount of \$100,000 (ten percent) as a partnership match with Linn County with an annual review of funding needs and priority setting. Langjahr questioned what \$100,000 would really accomplish given the \$700,000 in needs. Martin said he would prefer that the City partner with Linn County to fund the Expo Center on a matching basis as opposed to having Linn County add its own lodging tax.

Reynolds said that information from the hotel operators indicated that 15 percent of TLT revenue is directly generated by the Parks & Recreation Department, and he proposed that amount be returned to them. Langjahr said he hasn't seen information to show that the Parks & Recreation Department is spending the funds effectively. Pierson noted that the departmental budget is controlled by the City Manager, Budget Committee, and City Council.

Langjahr questioned whether events like River Rhythms and Northwest Art & Air Festival (NWAAF) result in a net loss to the City. Pierson said he believes that pulling TLT funding from NWAAF would result in that event going under. Langjahr questioned whether it is worth doing these events if they have to be subsidized and they aren't filling hotel rooms. Leland noted that the events affect the economy in other ways. Martin commented that much of what Parks & Recreation does goes to livability which benefits the entire community. Porsche said she would ask Director Hodney to weigh in on the NWAAF budget and whether that event operates at a profit or loss. It was noted that Hodney had proposed specific capital improvements for sports fields that would draw additional tournaments and generate TLT. Pierson said there is an untapped resource related to sports facilities. Discussion followed regarding potential improvements that would attract tournaments.

Pierson suggested that the committee recommend an annual review by a TLT oversight committee, with in-depth presentations from recipients every other year.

Langjhar said the hoteliers who are collecting these funds help to generate them through marketing efforts. He asked what the City is doing to help the hoteliers. Jackson said the hoteliers are marketing rooms, but they aren't necessarily marketing Albany; however, there is opportunity there for a collaborative effort. Brief discussion followed regarding potential coordination and collaboration related to marketing.

Pierson noted that some recipients said it would be helpful if TLT funds were less restrictive in their direction. For example, the Monteith House said they would like to be able to use the funds for insurance and for salary expenses that would allow them to be open additional hours.

Reynolds asked if the committee thinks it would be helpful to have an annual report from the hotel group regarding the percentage of TLT being generated by each recipient. Pierson noted that the hoteliers said the statistics presented represent only three or four hotels and that it was presented in broad terms without disclosure of proprietary information. He doesn't think the data is necessarily completely accurate; it's up to the committee to determine whether the data presented is fair and reasonable. Brief discussion followed regarding whether it would be beneficial and/or possible for the hotel operators to provide additional tracking and reporting related to organizations/events that generate room nights.

Langjahr said he would like to see a profit and loss report from the Parks & Recreation Department for the NWAAF and other events. He said that other cities charge for some of the things Albany does for free and that it may be time to do something different.

Pierson referred to the current policy and two areas that need to be addressed – terminology used to classify programs and the three percent automatic annual increase for some recipients. Jackson said that it's important for the organizations to have continuity and the ability to plan their budgets. Porsche suggested that the committee might recommend a protected index as well as what to do when there is an increase or decrease in revenues.

Martin noted that the United Way has a process where potential recipients make their case and funding decisions are made on an annual basis based on need. Porsche said that the City previously used a similar process; however, the budget process was being stymied by the inordinate amount of time spent on presentations related to these funds. Martin suggested that annual presentations could be made to the TLT review committee. Jackson said that if there is no continuity of funding to community organizations, it would be difficult to keep great people in these positions.

John Pascone, AMEDC, stated that all of the recipient organizations are doing work that cities do and this is a funding mechanism to get that work accomplished. He said the previous process resulted in the organizations having to be competitive rather than collaborative. He noted that recipients provide annual reports to the City.

Discussion followed regarding next steps. It was agreed that each committee member would come to the September 14 meeting prepared to discuss their preferred allocation for each recipient. Committee members were also asked to create a list of the metrics they would like to see from each TLT recipient and generator for discussion at the September 28 meeting.

#### Staff updates and issues

Urban Renewal Officer Nathan Reid distributed and briefly reviewed a spreadsheet showing how Collaborative Tourism Promotion funds were utilized from 2012 through 2015.

BUSINESS FROM THE COMMITTEE

There was no further business from the committee.

NEXT MEETING DATES

September 14, 2015; 3:00-5:00 p.m., Santiam Room

September 28, 2016; 3:00-5:00 p.m., Santiam Room

ADJOURNMENT

Chair Pierson adjourned the meeting at 5:04 p.m.

Submitted by,

Reviewed by,

*Signature on File*

*Signature on File*

Teresa Nix  
Recorder

Kate Porsche  
Economic Development & Urban Renewal Director