

NEWBERG CITY COUNCIL MINUTES
REGULAR SESSION
OCTOBER 17, 2016, 7:00 PM
PUBLIC SAFETY BUILDING (401 E. THIRD STREET)

A work session was held at 6:00 p.m. preceding the meeting. Present were Mayor Bob Andrews, Councilors Lesley Woodruff, Denise Bacon, Mike Corey, Scott Essin, Patrick Johnson and Stephen McKinney. Also present were City Manager Joe Hannan, City Attorney Truman Stone, City Recorder Sue Ryan, Community Development Director Doug Rux and Finance Director Matt Zook.

Mayor Andrews called the meeting to order.

Community Development Director Rux presented on the Transient Lodging Tax organizational structure. Council approved the Tourism Strategy Plan in June. One recommendation was to decide the organizational structure for the Transient Lodging Tax. The Council identified three options on August 15: Creation of a new organization, the Chamber of Commerce, or the City.

If the City were to have oversight over TLT, they would need to hire a staff person to run the program. This was the most costly option due to salary and benefits and about \$78,000 to \$80,000 of the TLT revenues would be available for tourism related facilities. If the Chamber were to have oversight over the TLT, a Tourism Manager would need to be hired along with expenses for taxes and insurance, admin support, office supplies, and auditing costs. It would leave \$107,000 to \$123,000 to use for tourism related facilities. If a new organization were to have oversight over the TLT, there were labor costs and set up costs, leaving \$91,000 to \$97,000 for tourism related facilities. There was a fourth option that came out of the discussions with the advisory committee. This was a City model where they did not add staff, but used the current staff to support an ad hoc committee who would make recommendations to the Council. This would leave \$186,000 for tourism related facilities.

The TLT Advisory Committee thought the expertise could rest with the Ad Hoc committee rather than a staff person and recommended the Ad Hoc committee only operate for two years. Staff advised the committee consist of no more than 13 people, which could also include someone from Council. Staff would prepare meeting materials, assist with solicitation process.

The Council would make the final decision on distributing funds. The Ad Hoc committee could also make recommendations on the small grant program and what the organizational structure should be after two years. Discussions would continue with the Chamber about additional services such as FAM tours, enhanced marketing, and destination development. Another recommendation was assessing current marketing material either by hiring an independent consultant or different organizations could get together to look at what they had and how to modify it. He explained what tourism related facilities meant, such as a commercial kitchen at the cultural center to draw people from outside of the region to Newberg and offering cooking classes that paired with local agricultural crops. Other examples were tents for events or a trolley route downtown or activities that promoted art.

Councilor Corey said he wanted to see an audit of how money was being spent to ensure the City was following the legal requirements for tourism-related monies. CDD Rux said as projects were being packaged that legal counsel would be consulted. He said checks and balances could require any money given out would require a contract with the other party to report back to the City. Councilor Corey thought the Ad Hoc Committee was a good idea. He clarified the Council would approve all of the expenses recommended by the Ad Hoc Committee.

Councilor Essin confirmed the Ad Hoc committee would be set up similar to the Planning Commission. CDD Rux said yes, although the Planning Commission had the authority to make final decisions but the Ad Hoc committee would not be making any final decisions, only recommendations to Council.

Councilor McKinney asked what a FAM tour was. CDD Rux explained it was a familiarization tour that brought in writers from different magazines to show them the benefits and values of Newberg and the Chehalem Valley. It was a way to get the word out in a broader forum to a wider population base.

City Manager Hannan said the difference between this and another model was that the Tourism Strategy Plan and there was a stakeholder group that would serve as an Ad Hoc Committee. That committee would vet the requests and would have the expertise to bring forward recommendations. There would be built in accountability with the contracts and legal review.

Councilor Johnson asked about the year to year increases and how well the City could predict an increase in TLT monies. CDD Rux said staff looked at past trends and estimated what the increases would be and then looked forward in time at a 3% increase in the gross operating receipts year over year. There would be more funding if the Council went with the Ad Hoc Committee model. He explained how the numbers could change due to how much was actually spent and how much the hotels were being used by visitors. This was the best estimate for what they thought the numbers would be.

There was a discussion on how staff could handle the additional workload of an Ad Hoc Committee.

Mayor Andrews suggested operating under this Ad Hoc committee model for not more than four years but not less than two years. CDD Rux said the thought process was to start as soon as possible and come back for Council approval in November. The group could begin meeting in December. There was consensus to follow the recommendation from staff.

COUNCIL BUSINESS:

CM Hannan reported on the flooding at the Newberg Public Library. No damage had been done to the books. Some trees went down and there were power outages around Fred Meyer.

Councilor Woodruff announced the fall concert of the Community Band would be held on November 10 at Bauman Auditorium.

Councilor Essin reported on classes he took at the League of Oregon Cities Conference on communicating better through phone calls rather than emails. He had talked with ODOT Director Matt Garrett clarifying he was still onboard with monitoring traffic when the Newberg-Dundee Bypass was completed.

CM Hannan discussed how the speed trailer was placed on Fernwood and the average speed was 32 mph and the speed limit was 25 mph. However out of the 600 trips, 100 of them were in excess of 40 mph. Police officers would be doing enforcement on the road. The trailer was moved to a different location on the road. They were going to take a measurement at the top of the hill and at the bottom of the hill to see if there was a difference and come back to Council with a full report.

Councilor McKinney reported on the emergency preparedness meeting with the churches. He thought Newberg could become Oregon's most prepared city. He thought the City could have emergency kits that citizens could purchase. He asked if staff could look into the idea of a tented structure in the cultural district.

Mayor Andrews summarized some of the things he learned at the League of Oregon Cities Conference.

The regular business session was cancelled.

ADJOURNMENT: The meeting was adjourned at 7:15 p.m.

ADOPTED by the Newberg City Council this 21st day of November, 2016.


Sue Ryan, City Recorder

ATTESTED by the Mayor this 23rd day of November, 2016.


Bob Andrews, Mayor