

**TRANSIENT LODGING TAX AD HOC COMMITTEE
MARKETING SUBCOMMITTEE**

**March 19, 2018 8:30 am
Newberg City Hall, 414 E. First St.**

The meeting was called to order by Chair Rob Felton at 8:33 a.m.

ROLL CALL:

Members Present: Rob Felton, Chair
Dennis Lewis

Jessica Bagley

Members Absent: Ashley Lippard, Shelia Nicholas

Staff Present: Doug Rux, Community Development Director

Guests: Carr Biggerstaff

APPROVAL OF MINUTES

Chair Felton identified modifications to Page 2 of the minutes related to City Council future review of grants.

MOTION: Felton/Bagley moved to approve the February 26, 2018 meeting minutes as amended. The motion carried 3 Yes/ 0 No).
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PUBLIC COMMENTS:

None.

TOURISM MARKETING ACTIVITIES – SUBCOMMITTEE PROPOSAL

Chair Felton identified two areas to discuss:

1. Destination Marketing Plan and the Chamber looking for assistance in developing their annual Destination Development Plan.
2. Proposal for hiring a person to do grants or not do grants. Who would this person report to?

Member Bagley inquired if the two work together.

Chair Felton noted the Visitor Center does distribute material using TLT funds.

Carr Biggerstaff noted the Chamber does host the Visitor Center. He noted he had missed the last couple of meetings and he would like a recap of the discussions.

Member Lewis summarized that there was consensus to hire a person or firm. There were questions about where they are housed, do we invite Dundee. Lori Louis, Pierre Zreik and Dennis Lewis will be going to the Yamhill Tourism Summit. CDD Rux noted he would not be attending due to another commitment.

Carr Biggerstaff summarized efforts for a Destination Marketing Plan for next year. It likely would not be much different than last year's plan. Roughly \$40,000 is identified to implement the Plan. He has Rob's proposed marketing plan. Examples of activities include website, SEO, and cross pollenating the two plans would be advantageous.

CDD Rux explained the background of the Marketing Destination Plan.

Member Bagley indicated a proposal on dollars needed to fund a person and marketing should be the priority.

CDD Rux explained the finances of \$60,000 - \$70,000 for a person, \$50,000 - \$60,000 for marketing purposes. To do this would require reducing the Large Grant down to roughly \$130,000 going forward. He referred to the financial model in the packet.

Carr Biggerstaff indicated the Chamber contract ends in 2 ½ years. The City could after the contract terminates have a separate Visit Newberg organization. He had spoken with Medford and other programs around the state. He noted dolling out a few \$1,000 grants here and there that you are not getting a large impact. Hiring an agency may not be a cost efficient approach. Having a person requires they need to report to someone or a Board.

Chair Felton questioned if a contract should be with the Chamber or a separate organization like Newberg Downtown Coalition or Chehalem Cultural Center.

Carr Biggerstaff noted the Chamber gave \$3,000 to the Truffle Festival this year from the Chamber allocation of TLT funds. There was a TLT award from the City Council as well of \$7,000. He inquired if that same funding would be done next year.

CDD Rux referred the Committee back to the five options that have been discussed in past meetings.

Member Lewis noted the Visit McMinnville approach and if Dundee could be rolled in to a Newberg model.

Carr Biggerstaff noted that Yamhill County does not have a TLT program.

Member Bagley inquired if there could be funds allocated for a person.

Member Lewis noted that if Dundee is helping to fund marketing they need to be a part of the hiring process for a person.

Chair Felton indicated that the Dundee TLT is similar to Newberg's because Dundee does not transfer dollars to the General Fund, the Dundee amount is approximately \$300,000.

Chair Felton and Member Lewis discussed if websites between Dundee and Newberg could be merged. Chair Felton did not ask Dundee about allocating funds for a person. Dundee is saving funds for a restroom in the downtown area and an electronic visitor center.

Member Bagley noted that a proposal needs to be presented to the TLT Committee and then to City Council.

Carr Biggerstaff indicated a subset of the TLT Marketing and Chamber marketing concepts could be merged with the two proposals.

Chair Felton noted there is some subjectivity on hiring a person.

Carr Biggerstaff reminded the Committee that the Chamber is under contract to provide a Destination Marketing Plan to the City by May 1, 2018.

CDD Rux indicated there are two options being discussed, Option A and B. Option A is a base of \$40,000 for marketing and Option B is more than \$40,000.

Carr Biggerstaff provided examples of the Truffle Festival, FAM tours, conferences, website, and print ads are part of the current marketing activities. The Chamber spends about \$45,000 on tourism marketing.

CDD Rux noted that there could be the possibility of two new Newberg hotels that could provide more revenue to the TLT program.

Member Lewis noted a new hotel would be under the new distribution split on revenue (70%/30%).

Member Bagley suggested reducing the Large Grant to hire a new marketing person.

Member Lewis indicated that a person could look for new grants to leverage our grants for tourism activities.

Chair Felton indicated the goal is to have the TLT Ad Hoc Committee recommend at their next meeting if there should be and Large or Small Grants.

Member Lewis inquired if the grant program could be done away with entirely.

CDD Rux inquired if the Marketing Subcommittee wanted to work with the Chamber to develop a Destination Marketing Plan for the next fiscal year.

Chair Felton indicated support to fill the gaps and address the website issues.

CDD Rux summarized that what he was hearing is Option A to reduce the grant program amount to hire a person to do marketing. Option B is to eliminate grants entirely and use all the funds for marketing.

Member Lewis also noted in the options to leverage with Dundee and any possible Yamhill County funds.

CDD Rux summarized that in past discussions:

- \$60,000 - \$70,000 for a person

- \$50,000 - \$60,000 for marketing (web, ads, conference, FAM tours, etc.)

Carr Biggerstaff shared that a person could cost \$80,000 and that the bottom funding amount for marketing is \$120,000 total.

Member Bagley noted that the upper end could be in in the \$200,000+ range.

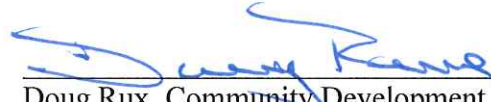
CDD Rux was asked to prepare a memorandum to the TLT Ad Hoc Committee on the options discussed by the Marketing Subcommittee.

ADJOURNMENT: Chair Felton adjourned the meeting at 9:26 a.m.

Approved by the Transient Lodging Tax Ad Hoc Committee Marketing Subcommittee this 16th day of April, 2018.



Rob Felton
TLT Ad Hoc Committee
Marketing Subcommittee Chair



Doug Rux, Community Development Director